

Irish Catholic bishops condemn Maze fast as evil

By Clifford Longley and Christopher Thomas

In an outspoken attack on the Maze prison hunger strikers and those who direct them, the Roman Catholic bishops of Ireland have told them "to reflect deeply on the evil of their actions, and their consequences".

It is the first comment from the whole Irish hierarchy on the hunger strike crisis and it is the clearest statement yet from an official Irish Catholic source that it considers the hunger strike tactic to be morally wrong.

The long and strongly worded statement on Northern Ireland was published yesterday at the conclusion of the Irish bishops' regular meeting at Maynooth College, Co. Kildare.

The Irish bishops have been criticised in the past for failing to make an unambiguous condemnation of the hunger strike weapon, in the light of Roman Catholic teaching on suicide.

If the present efforts to find a solution to the Maze prison crisis fail, the bishops state, the consequences for the whole of Ireland could be very grave indeed. There was the danger of still more violent actions, and the stability of the whole structure of society could be threatened.

They declare: "We therefore implore the hunger strikers and those who direct them to reflect deeply on the evil of their actions and their consequences. The contempt for human life, the incitement to revenge, the exploitation of the hunger strikers to further a campaign of murder, the intimidation of the innocent, the initiation of children into violence, all this constitutes an appalling mass of evil."

The bishops endorse the proposals of their own Justice and Peace Commission, published two weeks ago, as a possible solution acceptable to the British Government that does not involve the granting of political status.

The hunger strikers should indicate that the proposals would, if implemented, "provide an avenue for a solution" and the British Government

Bank calls for tougher curbs on wage rises

By John Whitmore

Workers will have to settle for negligible pay rises if Britain is to sustain an improvement in its international competitiveness, according to the Bank of England.

In the latest edition of its Quarterly Bulletin, published yesterday, it says that Britain's competitive position may at least have ceased to deteriorate over the past year.

But the bulletin adds: "Firms are likely to continue to find it difficult to maintain their position unless they can make themselves substantially more competitive; and they will thus have a powerful incentive to do so."

In spite of the encouragement the bulletin draws from the recent decline in pay

Free banking comes back

Williams & Glyn's, sister bank of the Royal Bank of Scotland, has reintroduced free banking by abolishing its £50 minimum credit balance requirement. The move comes after a round of increased charges by the big four clearing banks. Page 17

TV franchise deal

Pearson Longman, the publishers, and Vaux, the Sunday and Sunday Express, are expected to emerge as main financial backers of Yorkshire and Tyne Tees television companies. Trident will retain an important stake in both. Page 17

BP aim to raise record £600m

British Petroleum yesterday launched the largest-ever cash raising move by the private sector in the London stock market. It is asking shareholders to put £600m into the group to pay for new investment. Page 6

Russian watch

Washington is not denying a newspaper report that the United States and China are spying on Russian missile tests from an electronics station jointly run by both countries near the Soviet border. Page 7

England hit back

After being bowled out for 185, England took four Australian wickets for 33 by close of play on the first day of the first Test at Trent Bridge. Page 9

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Iran watch on border for missing Bani-Sadr

From Tony Allaway
Tel Aviv, June 18

Iranian border posts have been officially alerted to prevent President Bani-Sadr, who fled the country, from re-entering it. A high-ranking official said today.

Assadollah Ladjevardi, the Tehran Revolutionary Prosecutor, said the whereabouts of the President had not been known to Iranian officials since Tuesday afternoon. He was speaking on the state radio programme "Direct Contact" in which listeners can ask questions over the telephone.

One listener asked the prosecutor if it was true that Mr Bani-Sadr had fled the country. The city had been awash with rumours for the past two days that the President was hiding in an Air Force base in his home town of Hamadan, west Iran.

Mr Ladjevardi replied: "Until 4 pm the day before yesterday, we knew where he was, in Tehran, but from that time we do not know of his whereabouts."

The prosecutor added: "We have asked the border guards to look for Bani-Sadr but it is impossible to watch all the borders."

The President's whereabouts have been the talking point in the capital since Parliament this week made a move to impeach him. The debate on the President's political competence, which would lead to his dismissal, is due to start in Parliament on Saturday.

On television tonight, Ayatollah Hossein Ali Montazeri, regarded as the most likely successor to Ayatollah Khomeini, delivered a bitter denunciation of Mr Bani-Sadr's presidency.

He said: "Mr Bani-Sadr has boasted that he received 11 million votes. But the people weren't just voting for him, but for Khomeini and the constitution."

"He wanted to become a Muhammad Reza Shah. He thought he could become like the presidents of Europe and America."

The President, he added, was in Paris when true revolutionaries were being killed by the Shah's machine guns.

It was not known where Mr Mehdi Bazargan, the first Prime Minister of the Provisional Government of Iran formed after the revolution, was staying.

Mr Ladjevardi also said on the radio that his office was searching for the leaders of the National Front, which had attempted unsuccessfully to hold a massive protest demonstration this week.

He said: "God willing, we will arrest the leaders. We are sure many people follow them foolishly and we will leave these alone."

Mr Bani-Sadr, the first elected President of a country that was ruled by monarchs for 2,500 years, has been losing ground steadily in a power struggle with the Muslim clergy (Reuters reports from Tehran).

Ayatollah Khomeini, the revolutionary leader, who endorsed his candidacy in last year's election, dismissed him last week as Commander-in-Chief of the Iranian armed forces and has called on him to apologise to the nation for some of his actions.

The Majlis (Parliament), where Mr Bani-Sadr's opponents are in control, is now preparing a formal debate on his competence. A declaration of his incompetence would allow Mr Khomeini to exercise his constitutional power to remove him from office.

Khalkhali in Moscow, page 8

Operation Countryman to be wound up after three years work

By Stewart Tendler, Crime Reporter

Operation Countryman, the inquiry into allegations of police corruption in London, is being wound up leaving eight officers awaiting trial and three acquitted after almost three years' work at a cost of nearly £2m.

In its wake there are 83 cases of alleged corruption, not central to the Countryman brief, which are being dealt with by Scotland Yard officers. They involve up to 200 alleged offences, and investigations will continue for a further 18 months. The most serious cases involve the miscarriage of justice connected with armed robberies.

Announcing the end of Countryman yesterday, Deputy Commissioner Patrick Kavanagh accused the press of blowing the inquiry up out of all proportion. It had revealed neither widespread corruption nor had it implicated senior officers.

Many of the 83 cases would have come to Scotland Yard attention anyway, Mr Kavanagh said. He added: "The Metropolitan Police is more honest than it has ever been."

Fifty-five of the cases passed to the enlarged complaints investigation bureau at Scotland Yard have already been examined.

Mr Kavanagh said 19 had been completed, 18 were with the Director of Public Prosecutions or the police complaints board, three cases had been

withdrawn, four cases (involving civilians) were sub judice, six had been disposed of, one was the subject of a discipline inquiry and four had been left for reasons such as difficulties in tracing people. Some allegations were unfounded.

Mr Kavanagh said that some of the "speculative reports in the press were grossly exaggerated". Those reports included allegations that the provincial men had been obstructed by the London police and the investigation had to move out of London to Surrey.



Mrs Nancy Reagan, dancing with the Prince of Wales in New York (Pro-IRA protest, page 8.)

Prince saddened by New York investive

From Michael Leapman, New York, June 17

The Prince of Wales can scarcely have been sorry to see the Manhattan skyline fade into the distance as he left for home on board Concorde today. He had just spent one of the more uncomfortable 24 hours of his career.

Abuse had been screamed at him in the street and in the Metropolitan Opera House, where he was watching a gala performance by the Royal Ballet.

He was scarcely able to mingle with any New Yorkers, except those screened in advance, and he was whisked from place to place in the company of many more police and security agents than he is used to.

He had obviously been warned to expect trouble from Irish-American demonstrators, but all the same the noise and persistence of their protest may have surprised him. The only hint we have of how Prince Charles felt about it comes second hand from Edward Koch, New York's Mayor, not a disinterested source.

Mr Koch said that the Prince "felt very sad to be the subject of investive" over Northern Ireland and was "very sympathetic to the plight of the Catholics". He said the Prince hoped it would be possible for the Irish people to settle their own differences and enable British soldiers to be withdrawn.

The blank shows fired in the Mall last Saturday had clearly led the New York police to redouble their efforts and to curtail his programme even more drastically than had been planned originally. He met a few members of the staff of South Street seaport, from where he sailed in his lunchtime joy-ride round the harbour, but a plan for him to mingle with baller and concertgoers at the Lincoln Centre before he went into the gala performance was cancelled.

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Nott fails to win defence decision

By Our Political Editor

Mr John Nott, the Secretary of State for Defence, with strong backing from the Prime Minister, moved some way towards convincing the Cabinet yesterday that his review of Britain's defence posture is on the right lines, and in particular that his plans to restructure the Royal Navy should proceed.

However, no final decisions were taken yesterday.

It was the first discussion of Mr Nott's ideas by the full Cabinet, and his colleagues afterwards said they were impressed by his apparent grasp of the complexities of anti-submarine warfare, the area in which he plans his boldest changes.

Many questions were asked, but there was apparently no dissent from Mr Nott's thesis that anti-submarine defence in the 1980s can be more efficiently conducted, and at lower cost, with a greater burden carried by hunter-killer submarines and maritime aircraft, and a reduced role for helicopter-carrying frigates.

Mr Nott was warned, though, that he must expect difficulties with backbench Conservative MPs, and with the party's general, a prospect which appears to cause him little concern, his friends say, because of the warm reception he received when he spoke to the House of Commons a month ago.

Although no final decisions were taken yesterday, Mr Nott is anxious to announce the outcome of his review as soon as possible, because of the damage to Service morale which has already been caused by reports of cuts in the surface fleet.

At one time he hoped to make his plans public next Tuesday. But he was advised that he would be unwise to try to rush the Cabinet into important decisions of great political sensitivity.

In the event he expounded a number of options, secured his colleagues' general approval; and there is to be further Cabinet discussion perhaps next week. He hopes to be able to announce the outcome early next month.

The Cabinet reconfirmed its intention to increase defence spending by 3 per cent in real terms in each of the next few years, in accordance with the commitment to NATO.

Also, the commitment to Trident, at an estimated cost of £6,000m over 15 years, was not questioned yesterday.

More surprisingly, it was stated authoritatively that there was no discussion of how the cost of the Trident programme is to be met within the defence vote, and of whether the Navy is to bear the lion's share of the cost. Mr Keith Speed, the Navy Minister, dismissed last month's has been campaigning for the burden to be shared among all three Services.

Such seems to have been Mr Nott's dominance of the Cabinet's proceedings yesterday. This question, so anxiously discussed outside, was not even raised.

There is no doubt, however, that it will be raised again in the Commons by backbench defenders of the Navy.

Yesterday at question time, Mr Geoffrey Rippon, the former member of Mr Edward Heath's Cabinet who sits for Hexham, rose in minatory fashion to invite the Prime Minister to dispel the "ugly rumour" that the Government might be contemplating the sale of part of the Royal Navy.

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Managers' consortium may buy freight group

By Richard Allen

Senior management of the National Freight Company are seeking to buy the group from the Government and run it as a consortium with its 28,000 employees as shareholders.

The surprise initiative comes as the Government is well advanced with its own plans to return NFC to the private sector, a move orthodox stock market flotation.

Details have yet to be worked out but Mr Peter Thompson, NFC's chief executive, and the man behind the plan, said yesterday that the deal would match the terms that the Government could expect from a stock market sale.

Mr Norman Fowler, Secretary of State for Transport, welcomed the intervention in the House of Commons yesterday. He described it as imaginative and exciting and said that the deal would be worth more than £50m.

The plan is expected to involve managers and employees subscribing between £5m and £7m for shares with banks and institutions making up the balance as medium-term loans. Barclays Merchant Bank, which is advising the consortium, said yesterday it was hopeful about City support.

Mr Thompson said yesterday: "We are not in the Meridian cooperative game. We have given a commitment to the Secretary of State that the business will be managed as a normal commercial company."

"We will have a board of directors and shareholders. The difference will be that the shareholders will be working in the company."

Employees and union representatives were not told of the proposal until yesterday afternoon. Mr Thompson conceded that union hostility to the sell-off could be a hurdle but initial response had been encouraging.

Another hurdle will be in convincing workers that the group can improve at a recent trading performance, which resulted in losses pre-tax and pre-interest of £947,000 in the nine months to last September 30.

The National Union of Railmen, which has 8,000 members in the NFC, last night gave the proposal a guarded welcome. The NUR executive will be meeting Mr Thompson next week.

Parliamentary report, page 4; On the road, page 18

Iraq settles for strong UN rebuke

New York, June 18.—The United States and Iraq agreed today on a compromise resolution under which the Security Council would strongly condemn but not punish Israel for its raid on the Iraqi nuclear reactor, diplomats said.

Mr Saadoun Hammadi, the Iraqi Foreign Minister, had earlier demanded mandatory sanctions against Israel, but the United States threatened to veto punitive measures.

The diplomats said the agreed text proposed appropriate redress for Iraq with no punitive action against Israel. The agreement was reached between Mr Hammadi and Mrs Jeane Kirkpatrick, the US permanent delegate, after intensive private negotiations, and appeared to guarantee its adoption by the council.

The text is similar to one approved by member states of the Islamic conference, which Mr Hammadi read out to the council on Tuesday.

According to the diplomats the resolution would strongly condemn Israel's attack, which wrecked Iraq's French-built reactor, calling it a clear violation of the United Nations charter and norms of international conduct. Israel would be called upon to refrain in future from any such acts or threats.

The council would declare that the attack constituted a serious threat to the safeguards set up by the International Atomic Energy Agency "which is the foundation of the nuclear non-proliferation treaty".

It was possible that a vote might be delayed under a rule requiring a resolution to lie on the table 24 hours to give delegations time to consult with their governments.

A British diplomat, speaking privately, said he expected the resolution to be formally submitted late tonight but not voted on until tomorrow.

Reuter and AP.

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Brixton could become like Harlem, police chief says

By Lucy Hodges

The police officer who devised the Swamp 81 police operation, which took place the week before the riot, agreed yesterday that he had no figures at the time to show a rapidly rising crime rate in Brixton.

Det Chief Inspector Jeremy Prowman, who joined Brixton police station about six weeks before devising the operation to combat muggings, told the Scarman inquiry at Lambeth Town Hall that it was his assessment that the crime rate had risen alarmingly in March this year.

Cross-examined by Mr. Robin Auld, QC, leading counsel for the inquiry, Mr. Prowman said that the March crime figures bore out his assessment of Brixton's crime rate.

There were four cases of rape, 110 of assault, 109 of thefts and 447 burglaries in the whole Lambeth district. That was more than any other month in the previous 12 months.

In reply to questions from Mr. John Hazan, counsel for the Metropolitan Police, Mr. Prowman said if nothing was done there was a danger of Brixton becoming like Harlem in New York, where you cannot walk the streets at all or drive through the area without being stopped and robbed.

If he had been warned that the Swamp operation, in which 100 plainclothes officers flooded the area stopping and questioning people, was creating tension, likely to lead to disorder, he would have called it off.

He agreed that it was desirable to return to the old patrolling style of uniformed officers on the beat, but said he did not think they could cope with the kind of crime experienced in Brixton.

Mr. Louis Blom-Cooper, QC, counsel for Scarman, a group of local residents, suggested that Swamp 81 created its own crime. Officers in Brixton arising from Swamp were directly related to the police stopping people, he said.

Of those, three were assaults on police officers and five were obstructions to the police. "The fact of Swamp 81 is to

generate crime which has got nothing to do with what the operation is about," Mr. Blom-Cooper said.

Mr. Prowman disagreed. Those offences had to be weighed against the drop in crime caused by the operation. "You cannot say that," Mr. Blom-Cooper commented. "It is simply guesswork."

Lord Scarman suggested that in an area such as Brixton, where relations between blacks and the police were so delicate, a swamp operation could generate its own crime. Mr. Prowman agreed. There was only one charge of assault against police in the other three areas swamped in Lambeth.

Mr. Blom-Cooper pointed out that 18 of the 35 charges brought against people in Brixton as a result of Swamp 81 were for offences that had no connection with the riot. There were charges for assault and obstructing the police, three drug offences, and seven for offensive weapons.

Mr. Prowman said possession of an offensive weapon was serious, in view of local muggings. He agreed that the incident in which a minicab driver was questioned in Atlantic Road was the spark for the main violence on Saturday, April 11.

"That, of course, was a search for drugs, no victim was involved and so it did not relate directly to what you were worried about, robbery and drug offences," Mr. Blom-Cooper said.

"That operation was conducted by Swamp 81. Do you still say Swamp 81 had nothing to do with promoting the violence and disturbances of that day?" Mr. Prowman said "yes".

Mr. John Moss, assistant chief ambulance officer for London, told the inquiry that he invoked a major emergency plan during the riot when he saw the harassment to which his crews were subjected. His action was unprecedented.

He instructed his men to wear fluorescent jackets and helmets. Seven ambulances were damaged, four seriously, and on Saturday night it had been impossible to penetrate Roffin

Road from the north to reach a burnt youth, because of the bombardment.

Mr. John Clare, the BBC's Community Affairs Correspondent, described how almost as soon as he arrived on the scene of the riot on Saturday he saw three plain clothes men carrying riot shields. One had a three-foot staff, another an axe handle and a third a piece of solid rubber hose.

"I was in no doubt that they were policemen," Mr. Clare said. "They were associating with the police and on two occasions I saw them take part in charges down Mayall Road."

Mr. Clare said he spoke to the man carrying the axe handle and asked him if he was a policeman. "He said 'yes' rather sheepishly and gave me a hard stare. The conversation did not seem worth pursuing."

Commander Fairbairn, the senior officer in charge of the police operation, was close by the three men and there was no question he would have seen them, he said. Mr. Clare explained how he had met a group of rioters at one point who were wearing masks and who demanded to see his press card.

At one point he saw the police stop a struggling youth against a wire fence and punch him. But it was not only the youths who suffered. He said he saw about a score of police being struck between 7 pm and 9.30 pm by missiles. Some simply collapsed.

Mr. Clare, like Miss Caroline Liddell in her evidence the day before, described how three policemen were hit up by a photographer who had taken a flash picture of a youth being arrested. His camera was then stamped on repeatedly in the gutter.

Mr. Hazan, for the Metropolitan Police, objected to those allegations of police brutality and said he hoped Lord Scarman would make his findings about them in his report. Lord Scarman commented: "At the end of the day the report is mine and mine alone."



A black eye for the 483ft long white lion cut into the Downs at Whipsnade Park zoo, near Dunstable, Bedfordshire. The lion received the new wooden eye yesterday in a sprucing up operation by ratings from HMS Daedalus, the Fleet Air Arm's air engineering school at Lee-on-the-Solent, Hampshire. The four helping to spread 80 tons of chalk on the lion are, from left, David Cook, Richard Moran, Rob Hurley and Don Gledhill.

Gallery tries for Poussin and Algardi

By Frances Gibb

The Manchester City Art Gallery is trying to save two significant works of art, worth more than £2m, which are due to be exported to American museums in three months.

The works are a painting by Nicolas Poussin, "Holy Family with the Infant St John," sold by the Duke of Devonshire for £1.8m, jointly to the Paul Getty Museum and the Norton Simon Foundation, and a marble bust by Algardi, sold to the Metropolitan Museum in New York for £265,000.

The gallery, a leading one in the provinces, whose annual purchase grant is just more than £100,000, is to make a public appeal for funds next week. It is hoping to raise three bulk of the funds from donations and will seek help from the National Heritage Memorial Fund.

Distortion and TV news coverage IBA rejects inquiry on alleged bias

By Kenneth Gosling

The Independent Broadcasting Authority has rejected a request from Glasgow University Media Group for an inquiry into the group's findings alleging bias and distortion in the presentation of news and current affairs.

It has also refused to ask one of the programme companies to present a documentary on the group's research. "It would not be appropriate for one of our companies to take on such a task in judgment on itself," Mr. Colin Shaw, IBA Director of Programmes, said yesterday.

The IBA and BBC have been deeply involved in separate discussions about the Glasgow reports, which include *Bad News* and *More Bad News*. Mr. Peter Ibbotson, editor of *Newsweek* says that there are so many pressure groups

closely watching current affairs broadcasts that it becomes necessary only to say something they do not agree with for that to be interpreted as bias.

Richard Francis, BBC Director of News and Current Affairs, takes the Glasgow groups activities seriously, and considers the findings enhance the myth that a body of academic opinion exists that proves there is bias in the broadcasters' handling of news.

The public view of bias has been thoroughly canvassed in a survey commissioned by the Independent Broadcasting Authority.

In a section headed *Television as a Source of Political Bias and Offensiveness*, 13 per cent of viewers allege that independent television is politically biased, with 21 per cent believ-

ing that to be true of the BBC. Of the 13 per cent alleging ITV bias, 64 per cent favoured the Labour Party, while of the 21 per cent on the BBC side, 78 per cent favoured the Conservatives.

On the BBC, viewers singled out *Panorama*, *Nationwide* and *Question Time* as presenting biased coverage. On the commercial channel they were not quite so sure or specific, though a few did mention *TV Eye* and *World in Action*.

The BBC does not keep groups like the Glasgow one at arm's length. Mr. Ibbotson is meeting one of their representatives this weekend.

He thinks the issue has two levels: first, that for some years various sections of society have considered the media to be biased against them; and secondly, those who for political purposes are looking for bias.

"But even in the first category you have to distinguish between cases where the Glasgow group is obviously right and the others where, if people don't agree with a point they call it a form of bias."

At the IBA, Mr. Colin Shaw, Director of Television, says the Glasgow team had asked the authority for an inquiry into the findings of its research and also wanted the IBA to get one of its programme companies to mount a programme about that research.

In reply, Mr. Shaw says: "There are points in the Glasgow findings; but we are content to rest on our assessment, and on the present evidence we feel there is no justification for more than that."

Remand law changes proposed

By Our Legal Correspondent

A law proposed by the Government would make it unnecessary for prisoners remanded in custody to be brought before a court at eight-day intervals, as the present law insists.

Mr. William Whitelaw, Home Secretary, said in a written answer to the House of Commons that an emergency measure introduced during the recent prison officers' dispute, which allowed defendants to be remanded in their absence, had generally worked well.

He considered that the unnecessarily heavy burden on the police caused by their having to arrange to bring prisoners to court at weekly intervals could be eased without damaging defendants' interests.

The Home Secretary emphasized that under the proposed law, defendants would be remanded in their absence only with their consent, and provided they were legally represented (although the lawyer would not necessarily have to be present in court each time).

Mr. Whitelaw said that the eight-day remand cycle would remain. The defendant would be present at the first remand, but it was still being considered whether all subsequent remands could take place in his absence, or whether his personal appearance would still be required at, say, monthly intervals.

GPs prescribe an end to patients' sick notes

By Nicholas Timmins

Doctors are sick of signing notes for patients who are ill. They provide four million of them a year and say they have had enough of this "confetti certification".

The notes are needed for the Department of Health and Social Security to pay sick pay when someone is off work for four days or more, and are demanded by many employers as proof that their workforce is not malingering.

Doctors say the notes are largely meaningless. They state that a patient has had "flu", or "nerves" or backache, or other minor conditions for which there is little proof other than the patient's word. Many patients only call in for the note only when they have recovered, to satisfy their employer. They are a waste of medical time, that could be better used.

The doctors believe that the Government's plans to switch the responsibility of paying sick pay entirely to the employer for the first eight weeks of illness, means that at last they have the chance to be rid of them.

To encourage Mr. Patrick Jenkin, Secretary of State for Social Services, to stick to his timetable of disposing of short-term notes from April next year, the family doctors' annual conference in London on Wednesday decided to stop signing short-term notes unilaterally

from January 1, if they are not convinced that the scheme is coming in.

It is hard to see what all the fuss is about. There are 27,000 family doctors, and those four million notes average three short-term certificates a week each.

Dr. John Ball, chairman of the BMA's family doctors' committee, says that three a week is a burden on top of all the other forms a GP has to sign.

Some GPs say that the occasional patient, fighting off a cough and determined to return to work, can come in for a certificate and be found to have early pneumonia.

Doctors want a share in private medicine

General practitioners yesterday demanded a share in the boom in private medicine. By three votes, the annual conference in London of local medical committees, which represents 27,000 GPs, called for the right to be allowed to charge a fee to patients who they refer to hospital for private treatment.

The decision was taken by 106 votes to 103. Talks between the British Medical Association, Dr. Gerard Vaughan, Minister of State for Health, and the provident associations, which provide the bulk of private medical insurance, have made no progress.

Bishops condemn Maze hunger-strikers

The following is the text of a statement made at the Irish Roman Catholic Bishops Conference in Maynooth, Co. Kildare, on Wednesday.

We are very concerned about the serious and deteriorating situation in Northern Ireland. The continuing hunger-strike in the Maze Prison at Long Kesh has led to increasing polarization within the community and only has it claimed the lives of four young men within the prison but it has been accompanied by murder, bombing and street violence in which many more lives have been lost. The deaths of hunger-strikers have also been followed by outbreaks of arson, intimidation and wilful destruction of property. This heightened level of violence and vandalism, the plight of the innocent civilian, the deepening divisions within the community, have consequences not just for the North itself but for the people of the whole island.

Every death and serious injury through violence call for a deep and intense sorrow, political outbursts of the religious and an equal sadness at all deaths whether the victims be Protestant or Catholic. We feel equal sympathy and compassion for all who mourn.

We repeat what the Northern bishops said during the first hunger strike last November: "The violence in our midst has generated a hideous spiral of murder, bombing, robbery, the break-up of families and disrespect for life itself. It has filled graves and prisons. It has over the weeks, we experience an equal sadness at all deaths whether the victims be Protestant or Catholic. We feel equal sympathy and compassion for all who mourn."

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Many of these evils spring from the existence of private armies or para-military organizations, which claim the right to wage war. Not only do they threaten the lives of members to carry out cruel and murderous deeds, but they have been responsible for leading young people into evil by urging them to acts of violence. We make our own appeal which our Holy Father made in Drogheda to the young people of Ireland:

"If you have been caught up in the ways of violence, even if you have done deeds of violence, come back to Christ, whose parting gift to the world was peace. Only when you come back to Christ will you find peace for your troubled conscience and rest for your disturbed minds."

We are not unmindful, however, of the injustice in Northern Ireland over the years which created the climate for easy recruitment by para-military organizations. Nor did the present impasse in the Maze, which makes it easier still, for the hunger-strike to continue. We must find a solution fast.

If the present efforts were to fail the consequences throughout the whole island could be very grave indeed. They could lead to a policy of escalation of violence, the initiation of children into violence, all this constitutes an appalling mass of evil.

We appeal also to politicians and governments and we remind them of the solemn words of the Pope in Drogheda: "To all who bear political responsibility for the affairs of Ireland, I want to speak with the same urgency and intensity with

which I have spoken to the men of violence. Do not cause or condone or tolerate conditions which give excuse to present or future violence. Those who resort to violence always claim that only violence brings about change. They claim that political action cannot achieve justice. You politicians must prove them to be wrong. You must show that there is a peaceful political way to justice. You must show that peace achieves the work of justice, and violence does not."

At this critical juncture we welcome the recent statement on the hunger-strike from the Irish Commission for Justice and Peace and we commend it to both sides as a positive effort to find a way out of the impasse. Like the commission we call on both sides to have an indication of their willingness to move towards a solution. We ask the prisoners and those who speak for them to make it clear that the hunger-strike is a political statement, not a statement on clothing, association and work would, if implemented, provide the avenue for a solution. We ask the Government to show a corresponding openness on these issues.

The present disturbing situation should make us all the more determined to work together for a settlement. We urge increased understanding between Protestant and Catholic and closer social, cultural and economic cooperation between North and South. We appeal to all the Christian churches to work together for the promotion of gospel values in an Ireland increasingly threatened by secularist snarls.

We ask people to persevere in prayer always. What our Lord says to us is that we ought always to pray and never to lose heart."

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Home care helps young offenders, researchers find

By Pat Healy, Social Services Correspondent

The first firm evidence that juvenile delinquents are more likely to be reformed by intensive care in their home areas than by being sent to penal institutions was offered yesterday by the umbrella group, New Approaches to Juvenile Crime. Recidivism rates for the most difficult young offenders attending intermediate treatment programmes while living at home are between 25 and 30 per cent. That compares with recidivism rates of 70 per cent for juveniles leaving detention centres and 84 per cent after going to borstals.

Both the Government and professional and voluntary bodies concerned with juvenile offenders are committed to promoting intermediate treatment, which allows delinquents and potential delinquents to live at home while taking part in a variety of programmes aimed at overcoming the causes of their delinquency. Intermediate treatment is regarded as a cheaper and potentially more effective way of preventing juvenile crime.

The new evidence, which will be published in full later this year, is based on programmes dealing with the most difficult young offenders in half a dozen of Britain's main cities.

While not strictly comparable with the national figures for recidivism rates from detention centres and borstals, the evidence endorses the belief of ministers and others that intermediate treatment offers a more effective alternative to custodial treatment.

Lady Faithfull, chairman of New Approaches to Juvenile Crime, said yesterday that it was a myth that magistrates and social workers had become more lenient with delinquents. On the contrary, they had adopted a harder line by sending more young offenders into custodial and residential institutions, at much greater cost and with much lower success rates.

Lady Faithfull was introducing the group's report to the recent White Paper on young offenders, which she said could lead to even larger numbers of young people being sent to penal establishments. She called on the Government to back its commitment to intermediate treatment with adequate resources, in particular for local authority social services departments.

The organization, which represents eight national bodies including the Association of Directors of Social Services to the National Youth Bureau, is particularly concerned at the proposal to introduce a residential care order. That would give magistrates power to order the removal of a juvenile from his home for a maximum of six months.

Mr John Rea Price, director of social services for Islington, London, said the proposed new order would set back reform of juvenile delinquency and make it more difficult to provide proper care for children needing a period of residential care for therapeutic reasons.



His lordship parts company with the car park

By Baron Phillips

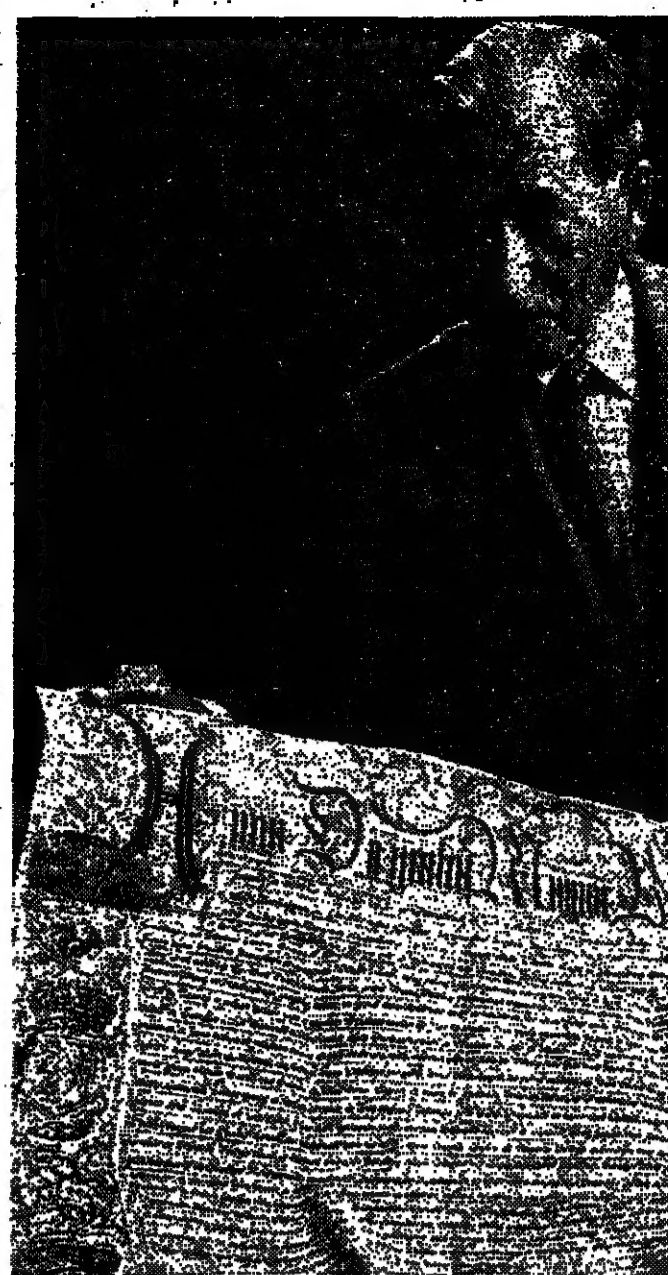
Next Friday Mr Ray Knappett, of Strutt & Parker, the chartered surveyors, will auction the titles and deeds to 14 Lordships of the Manor in the Moot Hall above Colchester's historic town hall.

One of the more interesting lordships covers the freehold of Market Place, Donington, near Spalding, Lincolnshire, where Mrs Jan Baron (above) is handling the sale.

The freehold of the title covers land used as a car park and this element is being sought separately from the main part of the Lordship of the Manor, which dates from the reign of Queen Anne.

Mr Knappett first auctioned a series of Lordships of the Manor nearly 30 years ago when the average price was £750. Initially he thought he might achieve about £3,000 each for the latest batch. But because of interest in the auction he has revised his estimate to £4,500.

Lordships of the Manor date from as early as the thirteenth century, but despite the grandness of the titles they have little practical relevance.



Mr Harry Bowden a solicitor, with the letters patent.

Belfast car company answers its critics

By Peter Waymark, Motoring Correspondent

As the first American motorists took delivery of the controversial Belfast-built De Lorean sports car, the company yesterday replied to accusations of poor quality and workmanship.

The company said it had received several congratulatory telegrams from dealers about the car that went on sale in the United States on Wednesday. One dealer, in Indiana, said: "The workmanship and quality of the car far exceeds expectations". A dealer in Illinois cabled: "The condition was outstanding, congratulations on a fine job".

But American motoring writers were less impressed. Mr Don Sherman, writing in *Car and Driver*, said the models he had tried were "abysmally short of any commercial standard of acceptability".

Another American journalist, Mr Tony Swan, wrote in the British magazine, *Autocar*, of "irregularities in fit and finish. The flaws ranged from fairly serious ones down to a long list of minor irritations".

De Lorean said yesterday: "These cars were pre-production models and they were a bit rough and ready. The journalists were told they were not the definitive product. The initial difficulties have been overcome and the cars we are now building are of a high standard".

The United States is expected to be the main market for the car, which has been developed with £80m grants and loans from the British government.

Scientific sites given pledge over grants

By John Winder, Parliamentary Staff

The Government may extend the principle of the Sandford amendment, that grants for agriculture must take account of the needs of conservation and amenity, to the 3,900 sites of special scientific interest in Britain. The sites cover 1,300,000 hectares or 5.6 per cent of the area of Britain.

An undertaking to consider the possibility before the Wildlife and Countryside Bill reaches its report stage in the House of Commons next month was given yesterday to the Standing Committee considering the Bill by Mr Tom King, Minister for Local Government and Environmental Services.

Mr Stuart Housden, of the Royal Society for the Protection of Birds, a representative of one of the conservation and amenity bodies studying proceedings on the Bill, said that if the concession were made, it would be a big step forward.

The Government's new clause, which was approved yesterday after an Opposition attempt to amend it had been rejected by 10 votes to eight, replaces the provisions added to the Bill by the House of Lords at the suggestion of Lord Sandford.

The new clause provides that a minister approving a capital grant for a farmer must do so in such a way as to further conservation and enhancement of the natural beauty of the countryside. The Government clause applies only to land in national parks, but if extended

at report, would apply also to all sites of scientific interest including those outside national parks.

The rejected Opposition amendment would have removed words providing that the minister will have regard to conservation and amenity only so far as may be consistent with the purposes of the agricultural scheme being granted and the Agriculture Act, 1970, under which the grants are made.

An Opposition clause applying such considerations more widely was also rejected by 10 votes to eight.

Mr King, replying to the two-day debate on the Sandford principle, said that they were writing in a statutory obligation for the agriculture ministers to consult the Secretary of State for the Environment.

The Government was sympathetic to an amendment to extend the principle and was considering whether it was possible to do so. If they could, he would table an amendment at report stage.

Mr Denis Howell, Opposition spokesman on the Bill, said they had made good progress although many of the Opposition's fears remained.

It was crucial to their assessment to know whether the Minister of Agriculture would hold the balance in the inter-ministry consultations on applications for grant.

MARCH BAN LEADS TO FINE OF £25

Peter Ronald Newell, aged 24, of Wycombe, was yesterday fined £25, with £15 costs for obstructing the highway on the route of the banned Kibura march in April in support of Robert Sands, the IRA hunger-striker.

Mr Timothy Pontius, for the prosecution, told Willesden Magistrates' Court that Mr Newell, who is unemployed, had refused to move although the police had asked him three times. The march had been prohibited under the Metropolitan Police Commissioner's ban on public processions for 28 days.

Mr Newell was originally charged with obstructing a police officer but the prosecution offered no evidence and the charge was withdrawn when he admitted obstructing the highway.

Mr Edward Fitzgerald, for the defence, said Mr Newell had a strong ideological commitment to the hunger-strikers, which was why he attended the demonstration.

"The prosecution has accepted already there was no violence against police officers. The offence could only have been committed as a result of the rather exceptional ban imposed", Mr Fitzgerald said.

The court heard that Mr Newell, previously a crane operator, had been unemployed since his release from prison in January after serving a six-month sentence for robbery.

Consumer courts proposed

By Our Consumer Affairs Correspondent

The National Consumer Council is studying the possibility of having special courts or tribunals to hear consumer complaints against the nationalized industries and public bodies.

Mr Jeremy Mitchell, the council's director, said yesterday that it had gathered evidence that many consumers felt it was not worth complaining because nothing effective would be done.

The council, appointed by the Government, is reviewing consumer protection legislation to find why more people do not use their legal rights.

Mr Mitchell said: "It is no good consumers having legal rights in theory if they cannot use them in practice. Suppliers of goods and services are in an immensely strong position in relation to the individual consumer. They can afford to go to law, afford delays, and easily outspend their consumer opponent."

As well as special consumer courts, the council is interested in the possibility of enabling consumer organizations to bring "class actions" along the lines adopted in the United States.

Those would be initiated where a number of consumers had suffered from a particular practice, but were unwilling to face the expense and difficulty of suing as individuals.

Winter holiday prices cut

By Derek Harris, Commercial Editor

Ther price war in the package holiday market took a new turn yesterday.

Intasun, a big tour operator, announced an increase by a fifth on the number of winter holidays on offer and price cuts on nearly three-quarters of them, compared with last year. That means an overall price reduction of about 8 per cent.

Thomson Holidays, the largest company, has already announced price cuts on nearly 100 winter holidays.

although showing an overall increase of just over 6 per cent.

Horizon, another big operator, has cut prices on two thirds of its winter holidays.

Despite last winter's 10 per cent decline in the package holiday market, Intasun claims its initial sales response has been better than last year.

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Philips have the widest range of colour TVs around. From stylish 14 inch portables to elegant 26 inch models. All have Philips proven colour

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No other TV manufacturer offers you video games, Teletext, Viewdata and Video 2000.

Philips can turn your lounge into everything from a cinema to a tennis court.

So why not call in to your local video dealer and see the wide range of Philips Video products available. You could find a partner for life.

Philips Video. Simply years ahead.



US-Chinese spy base said to be watching Russia

From Nicholas Ashford, Washington, June 18

The extent to which the United States and China share a common interest in combatting what they perceive to be Soviet expansionism has been further emphasized by a report in *The New York Times* today which states that the two countries are jointly operating an electronic intelligence gathering station in China to monitor Soviet missile tests.

Officials today declined to confirm or deny the report, saying that it was not their practice to comment on intelligence matters. However, usually well-informed sources said that the report, which quoted senior American officials, bore all the hallmarks of being correct. A similar report was carried by the NBC television network.

According to *The New York Times*, the station was opened last year in a remote, mountainous region of the Xinjiang Uighur autonomous region in western China, near the Soviet border. Two important Soviet missile testing bases are situated further to the west at Lenin, near the Aral Sea, and at Sary-Shagan, near Lake Balkhash.

The monitoring station was set up to fill a vacuum that had been created when similar listening posts in Iran were abandoned during the Iranian revolution. It was furnished with highly sophisticated American electronic equipment and has been described as one of the United States' most important and sensitive intelligence gathering operations.

The disclosure of shared American-Chinese intelligence activities came just after Mr Alexander Haig, the Secretary of State, ended a four-day visit to Peking. During his stay it was announced that the United States had agreed in principle to sell arms to China.

Taken together, these two developments indicate that the two countries intend to establish a far greater degree of co-operation in political and military spheres than had previously been expected.

However, the fact that the existence of the shared monitoring station has become public knowledge could cause the Chinese some embarrassment. There are powerful factions within the Chinese leadership which are opposed to China becoming too closely allied to the United States. In fact, China originally rejected an American proposal made in 1978 to establish a listening post there for this very reason.

Immediately after Mr Haig's visit, China publicly called for new talks with the Soviet Union to settle the volatile Sino-Soviet border dispute. This being deliberately timed so as to inform Washington that China is not prepared to enter into a fully-fledged anti-Soviet alliance at this stage, particularly until the question of American arms supplies to Taiwan is settled.

According to *The New York Times* report the site of the monitoring station in China is ideal because it allows the tracking of Soviet missile tests from the point of launching, through their flights over Siberia, to the dispersion of warheads. The monitoring permits the United States to find out whether new missiles are being developed, which is a crucial factor in future arms limitation talks.

Both men were named as members of the clique surrounding the late Marshal Lin Biao, who was allegedly killed in 1971 while trying to flee from China after attempting to assassinate Mao and seize power.

Four of the 11 accused were released when the sentences were announced because they had already exceeded their terms in detention. It is assumed they were arrested in 1971 together with other senior Air Force officers and commanders of the Army and Navy implicated in the plot.

Last January Mr Wu Faxian, former Air Force commander, was jailed for 17 years. Mr Jiang Tongjiao, another senior Air Force officer, was then sentenced to 18 years. Both men were granted remission for time served.

Evidence given at the trial of the so-called Lin Biao clique and the Gang of Four, in which the chief defendant was Jiang Qing, Mao's widow, suggested that the leftist conspirators used the Air Force as an important instrument of their activity.

Lin and his family and some political followers were said to have been killed when a British-built Trident aircraft belonging to the Chinese Air Force crashed in the Mongolian People's Republic.

The latest sentences were said to be follow-up to the big trial of six months ago.



Czeslaw Milosz, the Polish poet and Nobel prize winner, visiting a shipyard in Gdansk yesterday. He was shown lines from his poem on a monument marking the deaths of workers during clashes with police and troops in 1970. Mr Milosz returned to Poland

Polish journalists warn the party

From Desma Trevisan, Warsaw, June 18

Polish journalists have protested against attacks made on their profession by Communist Party hardliners at the recent Central Committee meeting. In a resolution, published after a meeting of their association board, they said it was not the truth that was endangering socialism but the distortion of it; and not public criticism but the attempt to stifle it.

Before the Central Committee met, the Soviet Union had sent a letter containing sweeping criticism of the Polish media. The Russians warned Warsaw that control of impor-

tant issues was being taken out of party hands.

This encouraged the Polish party hardliners who argued in the Central Committee that the party without the control of the press was like an army without guns. The committee subsequently adopted a resolution declaring that there could be no room for alien ideas in the press and indicating that action would follow, including changes of staff in editorial offices.

One result was the resignation of Mr Jozef Kasza, who until recently, was in charge of media in the Central Committee and his replacement by Mr Leslaw Tokarski, until recently the editor of the weekly *Przekazanie*.

Since then there have been signs that the press, if not stifled, is being restrained. In their resolution, the journalists now say that differences of opinion which do exist will not be made to disappear by attempts to conceal them.

Foreign Minister: Mr Jozef Cyrak, the Polish Foreign Minister, flew into London yesterday for two days of talks with the Prime Minister and Foreign Secretary.

WEU tones down its stand over Poland but backs Pakistan

From Ian Murray, Paris, June 18

The Western European Union (WEU) today significantly toned down the stand its council is to take on Poland, after pressure from West German and Dutch liberal groups, backed by British Socialists and Italian Communists.

Sir Frederick Bennett, Conservative MP for Torbay, who chaired the committee which drew up the report on developments in Poland, said he voted with pride against its recommendation diluting it had been carried.

In its amended form, he said, it would profoundly disappoint the many Poles who were looking for support and would encourage the Soviet Union to believe that if it indulged in sabre rattling, people would climb down. In voting against the altered recommendation, the Poles would at least know that they still had some staunch friends left in Europe.

The original recommendations had been accepted by the committee in April. The assembly refused to ratify them and pre-

ferred the amended version. This means that two clauses have been dropped which call for member-states to draw up possible joint retaliatory measures which could be taken against the Soviet Union in the event of an invasion of Poland.

The first clause wanted these actions put jointly before the Council of Europe "to associate all free European states with whatever measures it may take." The second clause would have asked member-states of force, within the EEC, "The diplomatic, economic, financial and commercial measures... which should necessarily include an embargo on the transfer of advanced technology to the Soviet Union."

The Liberal group said it was essential for the West not to be provocative and so give the Soviet Union a chance to interfere.

The strongest part of the recommendation which remains calls on the WEU Council to "announce without delay its principles which will guide its

reactions in the event of Soviet intervention in Poland, which would be a flagrant violation of the Helsinki agreements and call in question their content."

The Assembly was prepared to take a tougher line when it came to consider the report on European security in the Gulf area. Sir Frederic, just back from a tour of Pakistan and the Gulf, said during a briefing that if Pakistan was not helped to re-arm, it would be forced to fall completely under Soviet influence.

He said the Soviet Union had formed a new southern command embracing Afghanistan, which indicated there was every intention of making the occupation of the country permanent. This was part of a greater design to move into the Gulf area.

The Assembly agreed to carry the report on security in the Gulf, including an agreement to recommend assistance to the Afghan resistance movement, and to furnish Pakistan with substantial economic aid.

Kissinger loses election

From Michael Leaman, New York, June 18

Dr Henry Kissinger, the former Secretary of State, has been voted off the board of directors of the Council on Foreign Relations.

One of those who has edged him out is Mr Cyrus Vance, who succeeded him at the State Department when President Carter took office in 1977.

NAVY SEIZES MARIJUANA

The Royal Navy frigate *Antelope* yesterday seized 60,000lb of marijuana worth an estimated £30m from a Panamanian cargo ship 25 miles off the British colony of Belize.

Sailors are still searching the ship, the *Odca*, for a further 20,000lb of the drug believed to be on board. The captain and the ship's first mate have been arrested.



In theory, a monopoly has no competition...

It's true that British Rail operates the only national railway system in the country. By definition, that should make us a monopoly.

By implication, we should therefore enjoy a cosy existence, sheltered from competition, insensitive to customers' needs, complacent and unadventurous.

Nothing could be further from the truth. COMPETITION IN EVERY SECTOR

On the passenger side intense competition comes from over 19 million private and company cars owned in this country. Owners who use their cars on business benefit from tax relief. And company car owners (of which Britain has more than anywhere else in Europe) usually have only to find marginal costs, like petrol, out of their own pockets. Not surprisingly, the incentive to use the car is considerable.

Air services provide vigorous competition for British Rail's Inter-City trains.

With the passing of the 1980 Transport Act, long-distance coaches now compete for our business much more actively than before.

In the freight sector, competition is similarly intense. We don't benefit, as road hauliers do, from the UK licensing laws—for example, there is no "quantity" licensing, as in Germany and France, to limit the amount of freight to travel by road. What's more, only now is taxation of

heavy goods vehicles being increased to make the competitive framework fairer.

FINANCIAL BURDENS—WHAT ABOUT FINANCIAL FLEXIBILITY?

We have a statutory obligation to run services which are socially necessary but financially unviable. This is known as the Public Service Obligation—the basis of the annual "contract" between the Government and British Rail. In real terms this has not increased since 1975—leaving Britain with the least supported major railway in Europe.

If British Rail does not use up the whole of the contract payment in any year the residue cannot be "credited" to the next year.

Monopolies generally enjoy more financial flexibility—and muscle—than other business. But not British Rail. Instead British Rail is restricted by the rules and conventions which apply throughout the UK public sector where, for example, each industry has its External Financing Limit. This represents the maximum sum in terms of "outside finance" that any public sector industry can call on each year. If the economic recession makes it impossible for British Rail to keep within its External Financing Limit, the excess will be deducted from the next year's Limit.

THE SERIOUS IMPLICATIONS

The direct consequence of financial inflexi-

bility is on investment. British Rail's investment per train/Km is lower than that of any other major railway in Western Europe. The railway network needs 30 per cent extra investment just to maintain the present standard of service.

If Britain wants a worthwhile railway system in future, people will have to appreciate the importance of railways, as they have done in other countries.

Investment in the railways is a sound and sensible use of money. This so-called monopoly can behave adventurously, can stand up to competition and can justify its role in the economy.

Do not forget that in 1979 British Rail's recorded passenger miles were actually higher than in 1961, when the rail network was thirty per cent larger and there were only half as many cars on the road.

This is one of a series of advertisements designed to increase public awareness of the position of the railways in the national transport system and also in the life of the community as a whole. Whilst the facts and figures contained in these advertisements are known and appreciated by those directly concerned in shaping the future, an industry as much in the limelight as ours has a duty to address itself to a wider audience, which needs to be well informed if it is to play its part in helping to form public opinion.

Agca trial decision next week

From Peter Nichols, Rome, June 18

Mehmet Ali Agca the Turk who is accused of having shot the Pope on May 13 in St Peter's Square, will know in a week whether he will be sent for trial without further investigation. The decision rests with the public prosecutor's office and must be made by June 23.

The alternatives are for the prosecutor to recommend a full inquiry by an investigating judge or to decide that the case is sufficiently clear for hearings to begin in open court.

Given the fact that the case is a clear one as far as Mr Agca himself is concerned, the prosecutor will almost certainly adopt what is known as summary procedure which means dispensing with a further judicial investigation before the hearings.

This will save time. The work of an investigating judge entails the long and secret cross-examination of the accused man and the collection of evidence.

Against Mr Agca is attempted assassination of a head of state which carries a life sentence. In the case of Mr Agca, the difficulties are not so much in proving who carried out the attempted assassination as in throwing light on the background to the act, his mental processes, his supporters and accomplices, if any.

The court has appointed Signor Pietro D'Orsio for the defence. Signor D'Orsio said tonight that once the public prosecutor would announce his decision to follow the summary procedure, the presiding judge of the court of assize will give the date for the hearings.

The judge takes into account the requirements of the defence in preparing their case. The minimum allowed is three weeks which would theoretically bring the opening of hearings to mid-July. But Signor D'Orsio is a busy lawyer and there would be no surprise if the court decided to open hearings in the autumn. Mr Agca is held in the maximum security section of Rome's Rebibbia prison.

11 are jailed for Mao death plot

From David Bonavia, Peking, July 18

Two former senior Air Force officers and nine other people have been given sentences of up to 15 years' imprisonment for their alleged part in a plot to kill the late Chairman Mao Tse-tung.

The English-language *China Daily* reported this today, naming the main defendant as Lin Win, former director of the Air Force combat headquarters, who was sentenced to 10 years in jail. Li Weixin, former head of the administration department of "an Air Force unit", was given 15 years.

Both men were named as members of the clique surrounding the late Marshal Lin Biao, who was allegedly killed in 1971 while trying to flee from China after attempting to assassinate Mao and seize power.

Four of the 11 accused were released when the sentences were announced because they had already exceeded their terms in detention. It is assumed they were arrested in 1971 together with other senior Air Force officers and commanders of the Army and Navy implicated in the plot.

Last January Mr Wu Faxian, former Air Force commander, was jailed for 17 years. Mr Jiang Tongjiao, another senior Air Force officer, was then sentenced to 18 years. Both men were granted remission for time served.

Evidence given at the trial of the so-called Lin Biao clique and the Gang of Four, in which the chief defendant was Jiang Qing, Mao's widow, suggested that the leftist conspirators used the Air Force as an important instrument of their activity.

Lin and his family and some political followers were said to have been killed when a British-built Trident aircraft belonging to the Chinese Air Force crashed in the Mongolian People's Republic.

The latest sentences were said to be follow-up to the big trial of six months ago.

Adulterated oil identified as cause of Spanish deaths

From Harry Debelius, Madrid, June 18

Denatured rapeseed oil is the principal toxic element in cooking oil which poisoned thousands in an outbreak of what was initially identified as atypical pneumonia, according to a report of the Spanish public health authorities published here today.

Denatured oil, originally intended for industrial use, is produced by the addition of certain chemicals.

With 34 people dead since the illness was first detected near Madrid early last month, newspapers today published a statement from the Ministry of Labour, Health and Social Security, warning the public of "the great risk involved in the consumption or utilization of unlabelled oil sold on the streets or by door-to-door salesmen".

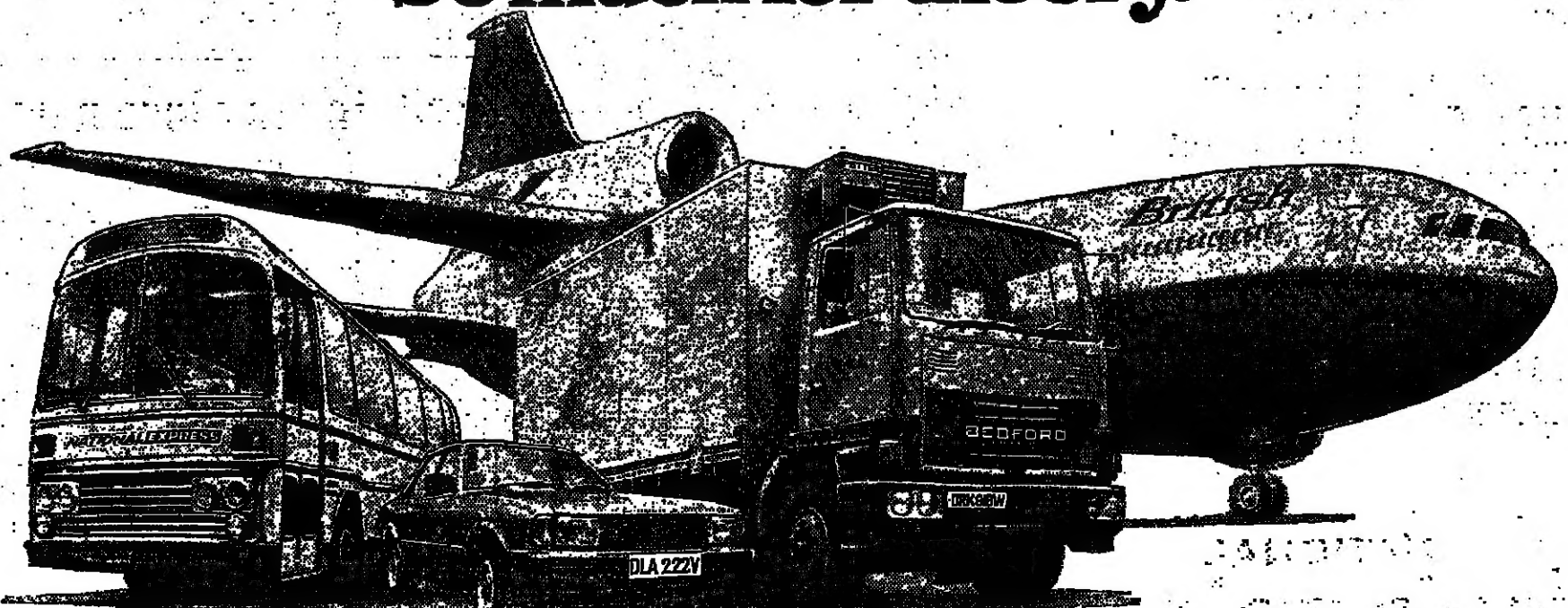
The statement added that "the findings of the National Centre of Nutrition and Food (NCNF) indicate that a shipment of rapeseed oil, presumably imported and destined for industrial use, was used in a

mixture of oil sold illegally. Certain toxic products of a chemical nature are added to oil intended for such usage which make it unfit for human consumption".

The official statement emphasized "the clear and definite warning that it is absolutely necessary to refrain from consuming such oil", and it appealed to the population to cooperate with the authorities by reporting the unauthorized sale of unlabelled oil.

Laboratory tests of cooking oil which had been used by those who became ill showed that it looked, smelled and tasted like oil, but in fact, was a mixture of olive oil, rapeseed oil containing anillin as a denaturing agent, and other ingredients.

Most of the poisonous oil is believed to have been distributed from a warehouse on the outskirts of Madrid. Stocks have been confiscated at several points in the northern half of the country.



This is the age of the train ➡

Suzuki talks raise hope of cuts in EEC trade deficit

From Michael Morrissey, Brussels, June 18

Tension over trade issues between Japan and the EEC has been eased by the visit here of Mr. Zenko Suzuki, the Japanese Prime Minister, and his entourage of ministers and officials.

At a press conference today, both Mr. Suzuki and the president of the European Commission, Mr. Jacques Delors, spoke of a new mood in EEC-Japanese relations and of "new possibilities" for reducing the Community's expanding trade deficit with the Japanese.

At the same time, they both cautioned against an over-optimistic assessment, and emphasized that the assurances received from the Japanese would have to be tested by the results.

"I cannot say in all honesty that we have a promise that action will be taken to reduce the trade deficit," Mr. Suzuki said, "but I think (the Japanese) are now aware of the need for moderation, it cannot be in their interest to kill off their best customer."

The EEC's negotiators attach most importance to the promise by Mr. Suzuki to reduce the very high tariffs remaining on certain

products, such as foodstuffs, which are of particular interest to the Community's exporters.

Finally, there is satisfaction over the statement by the Japanese that they do not expect their car exports to the EEC this year to be greatly different from the 1980 level, and that they will be prepared to discuss in the autumn further restraint in 1982.

Although the Japanese apparently now accept in principle that the question of car exports should be discussed with the EEC as a whole, Mr. Suzuki admitted that there was little chance in this approach unless EEC member-states put their own house in order.

This was a reference to the very strict national controls on imports of Japanese cars imposed by France and Italy. Since the global restraint agreement between the EEC and Japan could not be expected to offer these countries the same degree of protection, they would be unlikely to find it acceptable.

However, among the scepticism which remains about Japanese intentions, Mr. Suzuki's tour does seem to have served its main purpose of improving the atmosphere for the world economic summit in Ottawa.

national Trade and Industry, that his Government will for the first time formally ask private industry to increase imports of European manufactured goods.

Given the peculiarly close relationship between the Japanese Government and big business, and the tradition of "administrative guidance" of industry, the pledge is seen as carrying much more weight than it would in any other non-communist country.

The abnormally low percentage of manufactured goods in Japan's total imports—22 per cent last year compared with 44 per cent in the case of the EEC—has long been a main target of Western criticism of Japanese trading policy.

Hitherto, the Japanese have dismissed such complaints, arguing that the Japanese market is open to foreign competition, and that the fault is on the side of European businessmen who have failed to devote the same time and trouble to searching out the opportunities as their Japanese counterparts have in Europe.

The EEC has also been encouraged by Mr. Suzuki's pledge to start reducing the very high tariffs remaining on certain



Miss Jane Fonda, the actress, and Mr. Tom Hayden, her husband (right), who were refused entry into South Africa yesterday with Mr. Joseph Kotsakos, Permanent Secretary to the Cabinet.

FOOT AND MOUTH VACCINE

Washington, June 18.—Mr. John Block, the Agriculture Secretary, today announced the production of a vaccine against foot and mouth disease which, he said, could increase the world's meat supply and save billions of dollars.

Foot and mouth is a highly contagious sickness of cattle, swine and other animals, for which there is no known cure. Mr. Block said the new vaccine was produced through recombinant DNA technology, commonly called gene-splicing, under an agreement between the Agriculture Department and the Genentech Company.

The vaccine was produced using a form of genetic engineering whereby a single gene, or small series of genes, from one organism are inserted into another organism.

"The vaccine produced by the new recombinant DNA technology is safe and effective. It cannot produce the disease in a vaccinated animal because only a segment of the virus is used, not the whole virus," Mr. Block said. The virus produced could be stored without refrigeration, he added.

Black journalist detained by S African police

Johannesburg, June 18.—South African security police have arrested the news editor of the black newspaper *The Sowetan*, a police spokesman said today.

He said Mr. Thami Mazwai was detained last night in the black township of Soweto outside Johannesburg, and was being held under security legislation. People detained under security laws can be held without charge for at least 14 days.

The *Sowetan* became the main voice of South African blacks last February after its predecessor, *The Post*, was forced to close.

Mr. Mazwai's arrest came as blacks throughout the country marked the fifth anniversary of the Soweto riots. The *Sowetan* gave extensive coverage to police action during township unrest on Tuesday.

The newspaper, originally a weekly with a small circulation, became a daily in February. This followed a two-month strike at *The Post* and a government warning that it would be banned if it resumed publication.

Mr. Kobie Coetzee, the Justice minister, said *The Post* had become a vehicle for left-wing subversion.

The authorities also served a five-year banning order on a white student leader who invited Jane Fonda, the actress, to speak at the University of the Witwatersrand here.

Colonel Hendrie Smith, Chief of the Security Police for the Johannesburg area, said his men served the order on Mr. Samson, president of the Students' Representative Council.

The order means that Mr. Samson, who is 25, may not

meet more than one person at a time, may not contribute to any publication, and may not be quoted in the South African press.

Mr. Muldoon talks: Commonwealth anger at New Zealand for allowing a South African rugby tour next month will be the subject of talks in London today and tomorrow between Mr. Robert Muldoon, the Prime Minister, and Mr. Thatcher (the Press Association reports).

Mr. Muldoon is in London as part of a European tour taking in France, West Germany and Italy. His talks with British ministers were arranged before Commonwealth governments started to move against New Zealand over the Springbok tour.

Mr. Shridath Ramphal, the Commonwealth Secretary-General, who will call on Mr. Muldoon tomorrow, has been instructed to begin consultations on a new venue for the Commonwealth finance ministers' meeting, due to be held in New Zealand in September.

This is a significant event for New Zealand. Mr. Muldoon has been Finance Minister as well as Prime Minister, and knows the Commonwealth leaders. He is due to preside at the gathering.

A week ago high commissioners in London expressed concern about the rugby tour. They agreed to postpone a final decision on the meeting until early July. In the meantime the Nigerian Government has asked the Commonwealth Secretariat to begin considering a alternative venue.

Mr. Muldoon has argued that the South African does not approve of the tour, and he has publicly asked that it should not take place.

Four Grapo guerrillas shot by Civil Guard

From Harry Debelius, Madrid, June 18

The paramilitary Civil Guard shot dead four suspected terrorists in two incidents near Barcelona during a search for a wounded terrorist on the run, a police communiqué said here today.

The deaths of two of the suspects—a man and a woman—occurred inside a Civil Guard police station in the tiny Catalan community of Farga de Bebie, where they had been taken for questioning. According to the Civil Guard, both of them pulled out pistols, which were hidden in their clothing, and began shooting.

One policeman was wounded, and another returned the fire, killing the couple. They were subsequently identified by police as members of the left-wing extremist organisation Grupo (First of October Anti-Fascist Resistance Group).

Several hours later, a Civil Guard patrol, continuing the search for a Grapo member who was wounded in a Barcelona gun fight with police on Tuesday but got away, came across a tent pitched in a wooded area in the same community. As they approached, the occupants of the tent opened fire on them.

In the ensuing exchange of fire, two men who were inside the tent were killed. Police identified them as Roberto Llobera, aged 32, a Grapo activist who had been in a Barcelona gun battle, and Antonio Cabezas, aged 29.

The woman fatally shot at the police station was identified as Maria Dolores Castro, aged 24, a constant companion of Señor Llobera. The man who died with her was Bimo Gabriel Lopez, aged 23. All four, police said, were members of Grapo, wanted in connection with investigations into various armed robberies and assassinations.

The Civil Guard's action significantly reduced the danger posed by Grapo, since police claimed last month that fewer than 10 members of the extremist organisation were still at large.

Grapo, an organization with leftist ideology but whose activities sometimes appear to favour the extreme right, takes its name from the date of its formation, the simultaneous killing of four policemen in different parts of Madrid on the day of General Franco's last public appearance on October 1, 1973, in revenge for the execution of five terrorists.

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Khalkhali welcomed in Moscow

From Michael Binyon, Moscow, June 18

Aravotshah Mohades Khalkhali, the Iranian leader notorious for the number of death sentences he has ordered, has arrived in the Soviet Union at the head of an Iranian religious delegation.

He has been invited by the Muslim Board of Transcaucasia, one of four religious boards responsible for the administration of the Soviet Union. The board, based in Baku, represents Muslims in Azerbaijan, a Soviet republic bordering Iran where the Muslims, as in Iran, are predominantly Shia.

Khalkhali, who caused widespread revulsion in the West when he used a pen-knife to cut the charred limbs of American commandos killed in the abortive rescue attempt of the American hostages last year, was given a cordial welcome in Moscow yesterday by the Council for Religious Affairs, the government body controlling religious activities in the Soviet Union.

Today he flew to Tashkent, the seat of the largest and most influential Muslim board in the Soviet Union.

His visit comes at a time when Soviet relations with Iran are improving. The Russians have deliberately turned a blind eye to the strong anti-communist rhetoric of the Muslim fundamentalists, and have tilted towards Iran in the conflict with Iraq.

Although the Russians have made no comment on the political eclipse of President Bani-Sadr, Moscow is probably glad that what it sees as the Western element in the Iranian leadership has been defeated.

The Russians hope that the Tudeh Party, the Iranian Communists, will flourish underground if Muslim extremists win control in Iran.

By coincidence, Mr. Taha Ramadani, a first Deputy Prime Minister of Iraq, also arrived here yesterday for talks which will centre on the Gulf war and Iraq's increasingly distant relations with Moscow.

Iraq, linked to Moscow by a treaty of friendship, has drawn away from Soviet influence, especially after Moscow's refusal to supply arms at the outbreak of the war with Iran, a refusal strongly criticized last year by Mr. Ramadani.

Abnormal twin killed in womb

From Maria Schneck of the New York Times

New York, June 18.—Doctors at the Mount Sinai School of Medicine said today that they had punctured the heart of an abnormal foetus to destroy it in the womb while leaving its normal twin to survive and be born more than four months later as a healthy baby.

The procedure, done last year, was said to be the first successful surgery of its kind in the United States and the second in the world. The objective, doctors said at a press conference, was to give a childless 40-year-old woman with fertility problems a chance to have a normal baby. She had decided to have both foetuses aborted if there was no way to save the normal one alone, the doctors said.

The abnormal foetus was killed by withdrawing about half its blood through a needle inserted in its heart, which then stopped beating.

The operation was described as "extremely difficult. The needle had to hit a moving target less than an inch across, which was accomplished at the second attempt. There was the risk of killing both foetuses, damaging the abnormal one without killing it, or killing the normal one."

A report in the June 19 issue of the *New England Journal of Medicine* said the mother desperately wanted to have the normal child but could not face an abortion, fearing an abnormal child for the rest of her life. The report's authors were Dr. Thomas Kerer, Clinical Professor of Obstetrics and Gynaecology, and Dr. Usha Chikara.

The decision on the procedure was left to the parents after advice by physicians. The medical school, aware of the ethical and possibly legal implications of the case, insisted that the woman went to the State Supreme Court to get an official confirmation that she had the right to consent to the procedure for the benefit of the normal foetus. The report said the decision to go to court was made out of an abundance of caution. It was the mother's opinion, the doctors said, that the presence of an abnormal twin would be an unhealthy experience for the normal one.

Abortions are commonly done by infusing a solution into the foetus which dies and is expelled from the womb. The objective in this case was to avoid an abortion, and it was impossible to abort only one foetus with the salt solution.

The surviving infant is now more than seven months old and was described as normal and healthy. Doctors said the extra chromosome characteristic of Down's syndrome, which the foetus was mentally retarded and possibly with serious physical defects.

The paper claims that the arrest was made on the orders of the Chief Justice of Plateau state. The paper says that the Chief Justice took offence at an article in the May 28 issue and summoned both the paper's editor and the author of the article to apologize to the court.

The New Nigerian explains that Malam Sulaiman was unable to be present. The Chief Justice apparently construed the editor's absence as contempt of court and ordered his arrest.

The offending story is said to have made allegations of political preference and prejudice against the Chief Justice's court by the minority leader of the Plateau state House of Assembly.

The editor of the *New Nigerian*, one of Nigeria's more highly regarded newspapers, was arrested in his office yesterday. The two plainclothes policemen who arrested Malam Ibrahim Sulaiman gave no reason for doing so.

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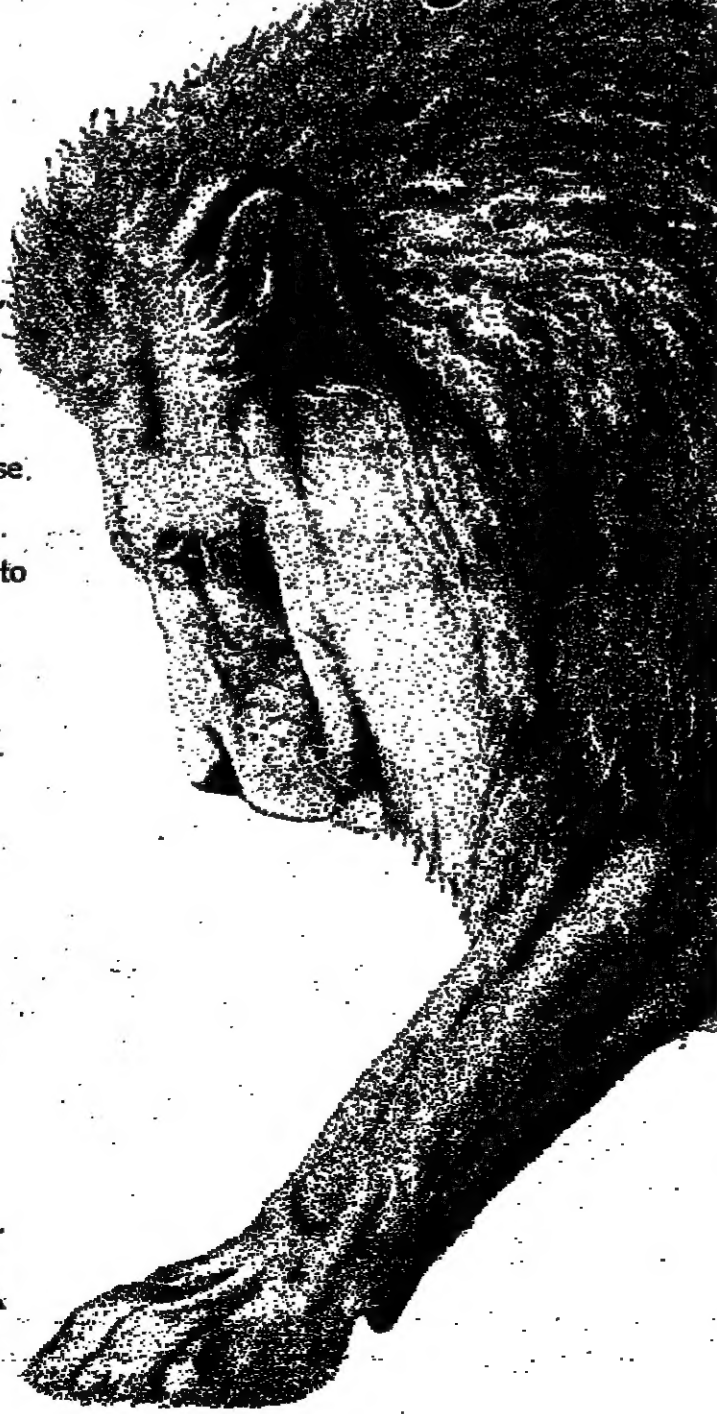
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Why Japan has few alcoholics

From Peter Hazelhurst, Tokyo, June 18

A team of scientists have discovered why millions of Japanese stagger home drunk every night but, unlike the heavy drinkers in the West, rarely become alcoholics.

The study also explains why most Japanese turn red as a tomato on the mere whiff of liquor, while others will pass out in a drunken stupor after downing a few glasses of beer.

The scientists, led by Assistant Professor Kazuji Harada, of Tsukuba University, claim the Japanese make the world's worst drunkards but a difference in their body chemistry prevents them from becoming alcoholics.

As a result millions of Japanese are capable of turning up smartly for work every morning after what they would describe as a heavy night of drinking.

Professor Harada says the lack of an extra enzyme prevents more than 50 per cent of Japanese drinkers who were investigated from absorbing copious amounts of alcohol.

His contention is supported by Professor Takemitsu Isumi, of Tokyo University, and a team of doctors who have studied the body chemistry of 100 Japanese alcoholics. In every case the alcoholics possessed two enzymes.

Compared to the United States and Europe there are relatively few alcoholics in Japan. But we have many more drunks here. No morals are involved. It is simply because the difference in body chemistry makes the average Japanese sensitive to liquor, according to Professor Isumi.

launch by the space shuttle in 1984, and which will be able to see 10 times further into the universe than the most powerful telescopes at present.

Four proposals were put forward for the European centre. The other two were from the Institute of Space Astrophysics in Frascati, near Rome, and a joint bid from the Institut d'Astrophysique in Paris and the Observatoire de Paris. However, the panel concludes that the best German and British proposals are fully acceptable and are in the "very good to excellent" categories.

Although the Royal Observatory in Edinburgh is considered a strong candidate because of the scientific expertise available there, its equipment, its Starlink facilities and its Starlink computer system which allows it to exchange photographic images of stars with other British observatories, the panel has found several faults.

There are weaknesses in its proposed management structure and filing systems for the new centre. The panel also expresses concern that Edinburgh is "far off from most member countries" of the agency.

The large differences between the salaries of the well-paid European scientists who would work there and local staff is also considered a drawback. The proposed solution to have no Edinburgh staff working within the coordinating centre is criticized as being "barely workable as it creates an artificial barrier between agency staff and local staff with a resultant lack of operational flexibility."

Instead, the proposal of the European Southern Observatory (ESO) is considered stronger because of its scientific environment, its experienced staff, filing and documentation facilities and its access to ground-based observatories.

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Death penalty rejected

From Bernard Withers, Strasbourg, June 18

The European Parliament has joined other international bodies in calling for the abolition of the death penalty in all its member states. Only three of the 10 EEC states—Denmark, West Germany and Luxembourg—have abolished the death penalty for all crimes.

The resolution, expressing Parliament's strong desire that the penalty should be abolished throughout the Community was carried here tonight by 143 votes to 30, with 22 abstentions. Fewer than half the total of 434 members voted.

Among the 30 members who voted to retain the status quo were the Rev Ian Paisley (Northern Ireland, Ind) and four British Conservatives—Mr John Marshall (London, North), (Cambridge), Mr Edward Kellett-Bowman (Lancashire, East) and Mr Elaine Kellett-Bowman (Cumbria). There were protests when Mrs Kellett-Bowman, explaining her vote, said that crimes were committed in the name of religion.

The resolution, from Parliament's legal affairs committee, also urged member states to press for an amendment to the Convention on Human Rights.

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Britain may lose new telescope link

By Robin McKie, Times Higher Education Correspondent

Britain's proposal that it should house a new international astronomical centre at the Royal Observatory in Edinburgh where scientists would coordinate European research on the proposed space telescope, project has been narrowly rejected by a European Space Agency committee.

Instead, its scientific evaluation panel proposes that the telescope's European Coordinating Facility should be sited in the headquarters of the European Southern Observatory in Garching, near Munich.

The recommendation is outlined in agenda papers for next week's meeting of the Space Agency when a final decision is to be made on the site.

The choice will represent an important scientific opportunity for the chosen institute. It will be responsible for analysing, storing and disseminating data from the telescope, an orbiting 24 metre American-European observatory, scheduled for

launch by the space shuttle in 1984, and which will be able to see 10 times further into the universe than the most powerful telescopes at present.

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مكتبة الامم المتحدة

Extending sentence without notice is unauthorized

R v Brighton Magistrates' Court ex parte Hamilton
R v Marylebone Magistrates' Court ex parte Forrest

Before Lord Fraser of Tully-helon, Lord Elwyn-Jones, Lord Salmon, Lord Scarman and Lord Roskill

The House of Lords settled a point of constitutional importance involving natural justice when they held that a magistrates' court was not authorized by section 44(6) of the Criminal Justice Act, 1967, to order an additional period of imprisonment and issue a warrant of commitment against an offender serving a sentence for default of payment of sums ordered to be paid, without giving prior notice to the offender and giving him an opportunity to be heard personally or by an advocate or in writing.

In so deciding they overruled three decisions of the Queen's Bench Divisional Court to the contrary effect.

Their Lordships allowed two appeals by convicted persons from the Queen's Bench Divisional Court and answered certified questions of law, ordered that the cases be remitted to the respective Divisional Courts with a direction to quash orders and warrants of commitment by justices which were wrong in law.

In the first appeal Peter Charles Forrest, of Hornby Road, Lower Beveden, Brighton, had applied to the Divisional Court (Lord Justices Ormrod and Mr Justice Lloyd) for an order of certiorari to quash an order by Brighton Magistrates' Court on April 4 issuing a warrant for his imprisonment for 144 days when he was in prison for 12 months.

Questions

His ground was that the justices had acted in law in committing him to prison without giving him any notice or warning of the hearing.

In the second appeal, Michael Hamilton, detained in HM Prison, Brixton, appealed from the Divisional Court (the Lord Chief Justice and Mr Justice Comyns) on July 14, 1980, refusing his motion for an order of certiorari to quash an order by Marylebone justices on the ground that it was made in breach of the rules of natural justice.

In the Hamilton case the court certified as a point of law of general importance the question whether section 44(6) of the Criminal Justice Act, 1967, authorized a magistrates' court to issue a warrant of commitment against an offender in circumstances falling within paragraphs (a) or (b) of that subsection without giving prior notice to the offender of its intention so to do.

In the Forrest case the court certified two questions: "(1) Whether a magistrates' court may lawfully issue a warrant of commitment to prison under section 44(6) of the 1967 Act for a default in payment of a sum of money adjudged to be paid by a conviction, without giving notice to the defendant before issuing the warrant and an opportunity to make representations to the court either personally or by an advocate. (2) Whether a magistrates' court may lawfully impose a term of imprisonment on a defendant under section 108 of the Magistrates' Courts Act, 1952, which is consecutive to other terms of imprisonment imposed on a previous occasion by a magistrates' court and which will have the effect of imposing an aggregate term of imprisonment exceeding 12 months?"

Common
Section 44(6) provides: "After the occasion of an offender's conviction by a magistrates' court, the court shall not, unless—(a) the court has previously fixed a term of imprisonment under section 65(2) of the Magistrates' Courts Act, 1952, which is to be served by the offender in the event of a default in paying a sum adjudged to be paid by the conviction; or (b) the offender is serving a term of imprisonment or detention in a detention centre; issue a warrant of commitment for a default in paying the sum or fix such a term except at a hearing at which the offender is present."

Mr Nicholas Nardacchia for the appellants, Forrest, Mr Gordon Bennett for the appellant Hamilton; Mr David Cocks as amicus curiae on behalf of HM Attorney General.

LORD FRASER said that the appeals, heard together, raised two questions, one of which

was common to both, and the other of which arose only in the case of Forrest. He would consider the common point first.

On March 15, 1979 Forrest pleaded guilty to several offences and was sentenced by Brighton justices to consecutive terms of imprisonment totalling 12 months. On April 4, when he was in prison, the same court issued a warrant for his imprisonment for a further 144 days, consecutive to the 12-month sentence, in respect of his default in paying fines imposed by various magistrates' courts on various dates since 1975.

Regret

He was given no notice of the proceedings on April 4 and had no opportunity of making representations to the court. The first he knew of the matter was when he was told by the prison governor that he would have to serve the additional 144 days.

He applied to the Divisional Court for an order to quash the order of April 4, on two grounds, the first being that the justices had acted in law in committing him to prison without giving him any notice or warning of the hearing.

The court felt itself bound by *R v Dudley Justices ex parte Payne* (1979) 1 WLR 891 to dismiss the application; but Lord Justice Ormrod, with whose opinion Mr Justice Lloyd agreed, said that he arrived at his conclusion "with both surprise and some considerable measure of regret".

The facts in Hamilton's appeal did not differ in any relevant respect from those in Forrest's case.

In August 1971 Hamilton entered a personal recognizance of £100 to appear before Marylebone justices about a month later in answer to a charge under the Forgery Act. He did not appear, having gone abroad; but on March 23, 1978 he was brought before the court, which ordered that his recognizance be forfeited, giving him seven days to pay. He failed to pay, and on July 12, 1979 the magistrates' court sentenced him to 30 days' imprisonment in default in accordance with the Magistrates' Courts Act, 1952, section 65(2). At that date Hamilton was serving five years' imprisonment in respect of another offence.

Refused

On October 22, 1979 the same court issued a warrant committing him to prison for 30 days, consecutive to the five years, and because he was in prison no inquiry into his means had to be held. He was held in section 44(4) and (6) of the 1967 Act.

Hamilton was given no notice of the proceedings in the Marylebone court on either July 12 or October 22. He applied to the Divisional Court for an order of certiorari to quash the justices' orders.

His application, too, was refused. Mr Justice Comyns said that the court was bound by the *Dudley Justices* decision "however difficult we may find it to accept the majority ruling"; and the Lord Chief Justice in agreeing with Mr Justice Comyns felt the same hesitation.

In light of those expressions of opinion by the differently constituted Divisional Courts, and having regard to the fact that the *Dudley Justices* decision was by a majority and a strong dissenting opinion was expressed by Mr Justice Robert Goff, the soundness of that decision clearly merited consideration.

The appellants might not deserve much sympathy, but the question whether they were entitled to notice of the proceedings in the magistrates' courts raised an issue of some constitutional importance.

One of the principles of natural justice was that a person was entitled to notice and an opportunity to be heard before any judicial order was pronounced against him, so that he, or someone acting on his behalf, might make such representations as he saw fit. That was the rule of *audi alteram partem* which applied to all judicial proceedings, unless its application had been excluded by Parliament expressly or by necessary implication.

That was why the judges in the Divisional Court had expressed surprise at the decisions to which they felt themselves driven by authority.

Cocks, as amicus curiae, while accepting that the pro-

ceedings before the justices were judicial proceedings, argued that the application of the rule had been excluded by necessary implication in the relevant legislation.

The power of justices to commit to prison for default in payment of fines was derived from section 64(1) of the 1952 Act which provided that "... where default is made in paying a sum adjudged to be paid by a conviction or order of a magistrates' court, the court may issue a warrant committing the offender to prison."

That power was subject to certain limitations set out in section 44 of the 1967 Act, the relevant subsection being (6).

His Lordship read the subsection and said that the argument accepted by the majority in *Dudley Justices* and advanced by Mr Cocks, was that the effect of that subsection was to dispense with the need for any hearing, before fixing a term of imprisonment or issuing a warrant for imprisonment in the case of an offender who was already serving a term of imprisonment; see Mr Justice Michael Davies at page 895.

His Lordship was unable to accept that view. The effect of section 44(6) was that, where an offender was in prison, a warrant for his commitment in default of paying a fine might

be issued without a hearing at which the offender is present. A hearing could proceed in the absence of the offender.

The subsection did not provide nor did it imply that a warrant might be issued without any hearing at all. Still less did it provide or imply that no notice need be given to an offender that some procedure was about to take place in the magistrates' court which might result in his being committed to prison for a period consecutive to the sentence he was serving.

Reasons

His Lordship agreed with Mr Justice Robert Goff dissenting in *Dudley Justices* (at page 897) that "... a requirement of 'presence' is a very different thing from a requirement of 'notice'."

Subsection (6) means "... what it says, that except in the two excluded cases, the actual presence of the offender is required at the hearing before a warrant of commitment is issued. That is because, except in the two excluded cases, a means inquiry must take place and for that purpose the offender has to attend the hearing."

The reason why a means inquiry was not required, where an offender was serving a sentence of imprisonment probably

was that the majority of such offenders who had defaulted in paying fines had no substantial means, so that the inquiry would be futile.

An additional reason might be that any imprisonment for default in paying fines would generally run concurrently with the sentence being served so that its length would have little practical effect.

However that might be, section 44(6) was not, in his Lordship's opinion, capable of being read as dispensing with a hearing altogether or with the need for his actual presence, and on a matter of constitutional importance such as this, its meaning ought not to be stretched in such a way as to prejudice the offender.

In many cases he might have no excuse to offer for defaulting in payment, and, if he neither appeared in person or by a representative, nor sent a written explanation, the hearing would in practice consist simply of the justices making an appropriate order.

If he made any representations either personally, or through another person, or in writing, he was entitled to have them taken into consideration by the justices before they made an order.

An obvious representation might be that any period of im-

prisonment should run concurrently with his sentence, on the ground that his default had not been his fault, such as ill health or loss of his job.

His Lordship would answer that certified question in both appeals in the negative.

On the second ground of Forrest's appeal, Mr Nardacchia argued that the justices had acted ultra vires on April 4 in that the total sentence imposed on that date and on March 15 exceeded 12 months which was the maximum they were entitled to impose under section 108(2) of the 1952 Act.

Subsection

He submitted that the maximum of six months under subsection (1) of section 108 or 12 months under subsection (2) applied to the aggregate of the terms of imprisonment imposed by any one magistrates' court.

Mr Cocks pointed out it might be argued that the maximum applied to the aggregate of all terms imposed by any magistrates' court.

Whichever form the argument took, it depended on the provisions of section 108, and particularly the latter part of subsection (1).

That provided: "(1) A magistrates' court imposing imprisonment on any person may order that the term of imprisonment shall commence on the expiration of any other term of imprisonment imposed by that or any other court; but where a magistrates' court imposes two or more terms of imprisonment to run consecutively the aggregate of such terms shall not, subject to the provisions of this section, exceed six months."

The first part of that subsection down to the semicolon contained nothing to suggest that the date on which the "other term of imprisonment" was imposed was material. If it was imposed by "that court" (namely, the magistrates' court itself) that might have been either on the same occasion as the sentence which was to be consecutive to it was imposed, or on an earlier occasion.

But if it was imposed by "any other court" it must have been imposed on an earlier occasion. When one came to the part after the semicolon, the natural and plain meaning of the provision that where a magistrates' court "imposes two or more terms of imprisonment to run consecutively" was that it referred to imposing two or more terms of imprisonment on the same occasion.

His Lordship agreed with the Divisional Court that the subsection, on its natural reading, did not limit the power of the justices to imposing sentences of a total amount of six months

or 12 months in all circumstances. If it had done so, it would have been inconsistent with the policy given effect to by subsection (4), and while that was not impossible it was unlikely.

His Lordship recognized that the result of so construing the subsection was to leave room for what might seem an anomaly; provided that sentences were imposed on different days there was, in theory, no limit to the aggregate of the terms of imprisonment that a magistrates' court might impose. But that was only theoretical, because in practice if the aggregate were going to be greatly in excess of six or 12 months, the magistrates' court would remit the case to a higher court for sentence.

In any event his Lordship regarded the construction of subsection (1), the only subsection relevant for the present purpose, as too plain to be shaken by consequences which might seem anomalous.

He would answer the second question in the Forrest appeal in the affirmative.

He would allow both appeals.

Lord Elwyn-Jones, Lord Salmon, Lord Scarman and Lord Roskill agreed.

Solicitors: Selwood Leathes & Hooper, Brighton; Gentle, Mathias & Co; Treasury Solicitor.



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Anonymity for pornography trial witnesses

Regina v Hove Justices ex parte Gibbons

Female witnesses in a prosecution involving alleged publication of pornographic photographs and conspiracy to procure women to become common prostitutes were allowed to remain anonymous by Mr Justice Gibson sitting as a Divisional Court.

Peter James Gibbons, of Eaton Manor, The Drive, Hove, applied for leave to appeal to quash an order made by the Hove justices on June 10, 1981, that all female witnesses to be called by the prosecution should remain anonymous and that the

press should be most careful in respect of that anonymity. The defendant was charged with offences relating to the publication of pornographic photographs and with conspiring to procure women to become common prostitutes.

HIS LORDSHIP refusing the application, held that there was no arguable case for allowing leave to appeal. Attorney General v Leveille Magazine Ltd and Others (The Times, May 3, 1979; 1979) 2 WLR 247 established the principle that the court could derogate from the principle of open justice if it was necessary to do so in the due administration of justice, and the justices had jurisdiction to make the order.

Although the publication of the names and addresses of the witnesses might help the defendant in the preparation of his defence by being able to show that some or all of the witnesses had been prostitutes, that information was of limited use.

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Can the Tories hope to win again?

by David Watt

For governments, as for human beings, the moment of truth is the one at which they really understand—as opposed to simply acknowledging intellectually—that they are not immortal. The Conservative Cabinet has just begun to reach this conclusion. We have not yet reached the final stage of the Rake's Progress in the old insurance age, in which the carefree youth ("they tell me the job's not pensionable") has become worn and despondent, desperately contemplating life's twilight without a monthly cheque from Guaranteed Life or whoever. But doubt and anxiety have certainly been born, at any rate at the higher levels of government—and not just among the so-called "wets".

It is becoming steadily clearer to Conservative strategists that this Government is in grave danger of losing the next election. The observation that Labour is in an unenviable position, as a result of the Government's only two or three points behind in the opinion polls, is milked for as much comfort as possible. Theories and self-congratulations are elaborated about the supposed change to a new and more realistic national psychology which accepts our present hardships as a necessary cold-turkey cure.

But the political reality rapidly becomes apparent if one asks any of the top Conservative brass what the situation would be today if the Werrington by-election were taking place in, say, Basildon instead of the Tory marginal in the south. There is virtually no seat of this kind that they believe they could hold against a Liberal SDP assault; and while mid-by-elections in the past have not always been reliable guides to the underlying form, there is no real reason to see why anything should have changed in the relatively short interval that now lies before a 1983 or 1984 election. Even if Labour does

not put its house in order, the Tories could be defeated. That is the point. It has dawned on the non-economic ministers in the Cabinet that it is already too late to do anything radical to improve the Government's economic record before it is obliged to go to the country. This is certain to look horrible. If the present Treasury team are allowed to keep the tiller tied down, anti-inflation policy—the main jewel in the monetary crown—will have reduced the rate to only just under 10 per cent by the end of 1983—about what it was when the Government took office. Output will still be well below that in 1979 and unemployment, even if down to below three million, will have more than doubled from the Labour Government's last rate. Even the real tax burden, now significantly higher than under Labour, will probably be back to level-pegging at best.

It is hardly an inspiring electoral prospect. But the terrible and frustrating strategy that is an alternative strategy is that even remotely plausible would produce better results in the time available. Reflation, on a scale that would not lead to a big increase in prices, might put another percentage point or two on the output figure, knock a couple of hundred thousand off unemployment. But it would not change matters fundamentally. It is this fact more than any other that has defeated the Cabinet doubters. Their instincts tell them that the Prime Minister and the Chancellor are inflicting great and possibly permanent damage on the British economy, and indeed on British policy as well. But they cannot face the hard-line argument that the alternative strategy would be to concede, could do little to improve the Government's immediate prospects and might put at risk the one tangible success the Government may be able to claim—a small



Talk of a change—but it is now too late to oust Mrs Thatcher.

reduction in the rate of inflation. They are obliged therefore to console themselves more or less with the framework of present policy. They have got their railway electrification and there may be other marginal palliatives to unemployment. Then there is the assumption (belied by the perfunctory two hours allotted to the subject on Wednesday) that the Prime Minister and the Chancellor will take the overall economic strategy off the "restricted list" and allow some serious debate in the Cabinet as a whole. In any case, Mrs Thatcher cannot avoid the debate on public expenditure since the prospective cuts affect nearly all Cabinet members, and here, as last year, the spending ministers have a good chance of frustrating the

Chancellor, not least because there is so little left to cut that is not protected by ideology or specific election promises. Another set of issues which the looming prospect of an election pushes to the front is that of personnel. There is a school of thought in the Opposition, the City, and among foreign correspondents that the Conservative Party will soon awake to its dangers and act with its usual ruthlessness, removing its present leader and finding another more likely to win the election. But it is already too late for that. Mr Francis Pym, at the moment the man most likely to win a leadership election, is delicately manoeuvring to distance himself from the Thatcher position, though not so far as to attract fatal accusations of disloyalty, unsoundness, and "wetness" and the like; but that is only in case the leader is shown down by a No. 11 bid. He is far too experienced to suppose that a coup would succeed, given Mrs Thatcher's popularity with the party activists.

But even if he or others do harbour these unworthy speculations about the leadership, every day that passes strengthens the proposition that already clinches arguments about policy—it would be fatal to change at this stage. Changes lower down are another matter. A Cabinet shuffle is obviously likely at some point, but when? It is said on good authority that Mrs Thatcher has not begun to think about one yet, but there are some things that competent politicians do not need to think about; they simply emerge from the situation. For instance, the next round of major ministerial changes will presumably be the last before the election. (One new Chancellor, to take the obvious example, would be enough in the two remaining years.) That means that when she has played the cards, the Prime Minister will have lost some of her power over the Cabinet. With a public expenditure battle coming up she may well prefer to keep re-election hanging over as many heads as possible for at least another six months.

Other constraints are closing in. For example, the speculation that Mrs Thatcher would like to banish Mr James Prior to the Northern Ireland Office is plausible enough. A new round of trade union legislation, which Mr Prior is resisting, would be just the thing to cheer up the party conference, and a new initiative in Ulster needs a new hand. But what would be done with Mr Adams, the present Northern Ireland Secretary? There is no suitable place for him except the House of Lords—and who wants to risk a by-election in Speke, deep in SDP/Liberal territory? And what about the party chairmanship? Lord Thorneycroft is no longer really up to another election campaign. But who is to replace him? Almost the only candidate actually qualified by flair and experience for the role is Mr Peter Walker, but he is apparently ruled out on the ludicrous grounds that he might subvert the party against the Prime Minister (he would, of course, be her prisoner, as his reputation would rest on winning the election for her). The Jangling of the Whip, is a possibility, though he is not exactly a charismatic figure. Perhaps, then, Lord Thorneycroft, who now shows distinct signs of wanting to stay, may simply run on.

All this merely illustrates the familiar political paradox that the worse things are, the more difficult they are to change. Things will go on in much the same way for the foreseeable future, though cosmetic alterations are possible. Sir Geoffrey Howe might conceivably be changed—but only for Mr John Nott, which would be no policy change at all. The strategy is that the Government is reduced to narrow options. Its main hope is that its opponents will continue to allow it to win by default. If it can limit the damage and present itself to the electors at the end of 1983 with the economic indicators at least pointing upwards, even if from a low base, the country may accept it as the least of the available evils.

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Frank Johnson

Oh for when the brave new world was young



Mr Foot: a man for the broad sweep rather than petty detail.

Simply to look at, he was like any other old age pensioner on the traditional public service class enjoying Bournemouth this week: white-haired, courtly, still with his wit about him though occasionally a little forgetful, and perhaps rather out of place while the resort was taken over for the annual delegate conference of the Iron and Steel Trades Confederation. Yet this was no ordinary leader of the Labour Party. This was Mr Michael Foot.

In these days of rapid change, he tends to be forgotten. But he still takes a lively interest in what is going on. For example, they tell him that the country now has a woman Prime Minister. Bless my soul! And from what he has heard, he didn't like the sound of her. I repeat, the economic policy of this Government is a CATASTROPHE," he bawled at the steelmen.

Mr Healey and Mr Benn have got all the publicity this early summer as they have toured the union conferences at the seaside resorts, fighting each other to the death, or to the Deputy Leadership of the Labour Party, whichever is the sooner. But Mr Foot goes too. While Mr Healey and Mr Benn are saying terrible things about each other at the fringe meetings, Mr Foot travels quietly down on the train, makes a speech to the conference itself, and receives a presentation consisting of some product connected with the workers concerned (at Bournemouth, it was some fine steel gaskets; at the General and Municipal Workers it is presumably a huge rate demand; at the hospital workers it is probably something contagious).

Then he ambles around the town a little with his walking stick, and catches the train back to the London terminus from which he is taken by the Leader of the Opposition's official Rover back to Hampstead.

What thoughts are passing through that old head as all this is going on? What does he make of this modern world of ours? Let it be emphasized at the outset that no adverse criticism is intended of Mr Foot by drawing attention to his age. Since the 1960s—the truly low, darkest decade—we have had enough of brilliant young politicians. It was always astonishing that youth should ever have been associated with ability, idealism or even vigour. Still more astonishing was the fact that Kennedy's age on assuming the presidency, 43, was widely considered to be of itself a point in his favour—it being much overlooked that Hitler also assumed power at the same age.

It is difficult to know what the Leader of the Opposition makes of it all. But one suspects that he is rather melancholy. After a lifetime of romantic left-wingery—in journalism, in biography, on a thousand television panels and editions of *Any Questions?*—in set-piece formal and informal interviews, in the Commons—he has suddenly found himself, against all odds, becoming Leader of the Labour Party.

Sometime in the late 1950s a popular newspaper did a jokey piece about the things least likely to happen. One of them was Mr Michael Foot becoming Leader of the Labour Party. I happen to know the man who wrote it. For, until propelled by fortune into his present position, Mr Foot had attained a quite different, though equally formal and traditional position, in our national life. He was the Establishment's paper of the left. All that has been laid waste.

A similar sort of thing happened to Cambodia. A perfectly workable, though superstitious and backward traditional society had been swept away at Great Turnstile.

Whereas the old Stagger writers used to compose elegant gossip about politicians and review about the range of bourgeois literature, they have now been forced into the fields to dig up facts for vast articles illustrated with pictures of nuclear reactors. The *New Statesman* is a microcosm of the left as a whole.

To a traditionalist such as Mr Foot, this is a drastic change of a left which shared his bourgeois taste for parliamentary oratory and for belles-lettres; it must be a baffling, faintly menacing, universal watching bin at Bournemouth that week. He seemed that he resolved the difficulty by ignoring it.

He was helped by the fact that the steelworkers were an old-fashioned lot who were on the left for the wrong reasons. Loyal to Old Labour who seemed to embody a vanished industrial Britain, folk tough enough to chew steel as well as make it. And that was only the wives! Such as he, Mr Foot, has been further helped by the fact that from its outward appearance, the resort remains an idyllic place which might have stayed still at some happy point in the mid-50s or even earlier. It is a position just as Mr Foot himself (no relation) whose very name should inspire waves

of nostalgia. Neville George Cleverly Heath! A classic mid-40s story: a handsome fellow who, in the town's genteel hotels, would charm impressionable women until such time as he would disengage them. He was handsome. Since then there has been no further unpleasantness in Bournemouth and Mr Foot did not disturb that situation this week.

He gave the delegates some familiar, much-loved Footage. He scored a test on notes or even any particular theme. He spins it out as he goes along, repeating the last idea, or a related idea, in various forms while he thinks of the next one.

"The Common Market, the EEC, the European Community, or call it what you will. That sort of thing. It is the Roger's Theatrical school of oratory. For some minutes, Mr Foot—or Mr Foot or Mr Sock or call him what you will—simply kept the steelmen happy by running down the list of members of the Government. The members, 'Sir', 'Kathleen', 'Joseph' was enough to get their amiable falling about."

"Then there's Denis Howell, the Minister of Energy," he added. "The only reason he's got an energy policy is because he's been told on 'Joe Cornmeal'." He is thinking of Mr David Howell. Denis Howell is a member of Mr Foot's front bench—having been, in the last Labour Government, Minister for Sport and for Natural Disasters in so far as, in the case of an accident, the two are separate. But Mr Foot is a man for the broad sweep rather than petty detail. His speech was a great success.

Mr Foot got his goblets and set out for London, leaving the conference to absorb speculation about the agenda of their industry's ownership and similar matters. One left just as Mr Mick Skelton, of Corby, was alarmingly demanding the further nationalization "including the private parts."

What was the Daily Mail ("State Grab Threatens Private Parts")?

Back at Waterloo, one hovered in the background, as Mr Foot made his way past a group of his fellow senior clubmen. They noted him warmly. He adopted a friendly and genial manner: "Where you off too? ... splendid ... hope it keeps fine ... jolly good ... carry on."

But the Bournemouth idyll was already gone. He was back in London and reality.

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occasional Pravda, but the Russians do not have newspapers tailored for commuter travel. The seats line the carriage sides, facing inwards. Those near the doors are reserved for invalids and mothers with children. The others are invariably occupied by worn-faced old women, headscarves, clutching plastic shopping baskets and wrapped up in thick coats for most of the year. There is the usual smell of garlic and vodka, but luckily no drunks. If one tries to pass through the automatic in Moscow, this staggered working hours and frequency with which people travel all over town to search for things in shops means that passengers stream in all day. A phrase you soon learn is "Are you getting off?" If not, your neighbour needs to start pushing to the door at least a station before his destination. If you are, it is your responsibility to give a passage through the crowd.

As on the London Underground, people usually ride in silence. Many have their heads buried in books. You see the

proposal for fear of the tunnels' undermining the city's many churches. Kaganovich, one of Stalin's henchmen, gave his name to the system (renamed, of course, after Lenin in 1935). Prewar films show Khrushchev, then Moscow city boss, urging on workers at the construction sites. Building continued throughout the war, when the tunnels were used as air-raid shelters, and the network, now 120 miles long, is still being extended: the 115th station was opened in November.

On Monday, the Metro's anniversary, the construction pioneers gathered for a solemn ceremony, commemorating those early days.

You see a magnificent cross-section of Russian life in the Metro. The wide blue trains, with sparkling chrome, no advertisements and free from litter, are invariably crowded as there is no real rush hour in Moscow; this staggered working hours and frequency with which people travel all over town to search for things in shops means that passengers stream in all day. A phrase you soon learn is "Are you getting off?" If not, your neighbour needs to start pushing to the door at least a station before his destination. If you are, it is your responsibility to give a passage through the crowd.

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A grand threepenny trip on the pride of Moscow

Fifty years ago this week the Soviet Communist Party took a decision of monumental importance: to build a subway for Moscow. And six months later a group of people, armed with picks and spades, gathered in the courtyard of a small grocery shop near the city centre and began to dig. These pioneers, swelling soon to a vast brigade of "shock troops", quickly became folk heroes. One of them, Tatyana Fedorova, a bulky lady who carried away tons of rock and clay, rose to become the deputy director of the world-famous enterprise she constructed: the Moscow Metro.

The Metro is one of the marvels of the Soviet Union. Clean, swift, cheap and frequent trains ferry seven million people each day through a network of tunnels that radiates out from the Kremlin like a spider's web. The stations are show pieces of Soviet architecture, spacious, marble and mosaic monuments to proletarian values. At five kopecks (three pence) for an unlimited ride, it is one of the cheapest mass transit systems in the world. Any tourist coming to Moscow who has even a smattering of the Cyrillic alphabet should venture down the long escalators to have a look.

Muscovites, of course, now take their system for granted. But in the 1930s there was tremendous pride in a project that had been discussed ever since 1902 when the pre-revolutionary city council shelved a

proposal for fear of the tunnels' undermining the city's many churches. Kaganovich, one of Stalin's henchmen, gave his name to the system (renamed, of course, after Lenin in 1935). Prewar films show Khrushchev, then Moscow city boss, urging on workers at the construction sites. Building continued throughout the war, when the tunnels were used as air-raid shelters, and the network, now 120 miles long, is still being extended: the 115th station was opened in November.

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You see a magnificent cross-section of Russian life in the Metro. The wide blue trains, with sparkling chrome, no advertisements and free from litter, are invariably crowded as there is no real rush hour in Moscow; this staggered working hours and frequency with which people travel all over town to search for things in shops means that passengers stream in all day. A phrase you soon learn is "Are you getting off?" If not, your neighbour needs to start pushing to the door at least a station before his destination. If you are, it is your responsibility to give a passage through the crowd.



Underground splendour at the Arbatskaya station on the Moscow Metro.

occasional Pravda, but the Russians do not have newspapers tailored for commuter travel. The seats line the carriage sides, facing inwards. Those near the doors are reserved for invalids and mothers with children. The others are invariably occupied by worn-faced old women, headscarves, clutching plastic shopping baskets and wrapped up in thick coats for most of the year. There is the usual smell of garlic and vodka, but luckily no drunks. If one tries to pass through the automatic in Moscow, this staggered working hours and frequency with which people travel all over town to search for things in shops means that passengers stream in all day. A phrase you soon learn is "Are you getting off?" If not, your neighbour needs to start pushing to the door at least a station before his destination. If you are, it is your responsibility to give a passage through the crowd.

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Only in a few cases has history had to be recast when the mosaic portraits of Stalin and his Politburo were whitewashed over at one station after they had all disappeared into the political void of unpopularity.

Each of the older stations was given an individual personality. This ranges from the delicate of slim metal columns supporting an arched roof where floodlit mosaic panels illustrate the sky and flight at Maryskovskaya Station to the rugged masculinity of Revolution Square where some 80 bronze sculptures of grim-faced Red Army soldiers are ranged along the marble arches of the underground hall.

The station walls are decorated with crimson rhodonite, semi-precious opyx. Light green opacitized prophylite and veined marble from all parts of the Soviet Union. There are no posters to spoil the effect and no graffiti. Instead, chandeliers suggest elegance for the masses, and bas-reliefs honour scenes from the daily life of the proletariat. No smoking anywhere, of course,

and woe be to anyone caught dropping litter.

There has been the model for the six Soviet cities that have since built systems of their own. Any city whose population reaches one million is entitled to a metro—and three more are now under construction. The new stations are less elaborate but even the new Tashkent Metro, built in jointed sections to withstand earthquakes, has themes from Uzbek history on the walls.

A tour of the Moscow Metro is included in every tourist itinerary. Gas tour guides, dressed in black uniforms, explain how to counter provocative questions from Westerners, was explaining to one group that trains drew in so frequently that the clock in each station making their arrival between trains rarely reached "two minutes". A puzzled American pointed out to her that they had been waiting more than four minutes for a train.

"Yes," she snapped quickly, "and you lynch Negroes in your country."

Michael Binyon

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THE TIMES DIARY



Codic Jagger, the clock historian, very nearly got himself arrested when his obsession with clocks set off the burglar alarms in the King's Bedroom at Windsor Castle recently. Jagger, who is the author of the book *Clockmakers' collection at the Guildhall Library*, said: "It really took some explaining."

Jagger has been conducting research over the last three years on the priceless royal clock collections at Windsor, Buckingham Palace and Clarence House. He is the Queen Mother's most avid of royal collectors, keeps an array

of timepieces, begun in 1923 when she received several for her wedding. Jagger's researches will be published in a book, *The Royal Clocks since 1904*. He examined nearly 800 clocks, the earliest from the reign of George III.

Buckingham Palace's clocks are owned, serviced and renovated by a two-man team permanently on hire from Frodsham of Exeter. Michael Potter, 60, and George Hodgson, 63, who have been in residence since 1943. Their most loving care is lavished on two astronomical year-going clocks by Thomas Tompion (1699-1713), the father of English clockmaking. Experts value each at up to £500,000.

Prince Albert the couple were given a copy of the book of Common Prayer and a Bible, printed by the Cambridge University Press.

Easy to keep

What, apart from a lack of windows, do World War Two pillboxes have in common with Elizabethan and Georgian dovecotes? The answer is that both are now considered historic buildings worthy of preservation, and both are almost equally difficult to put to new uses.

This week in the Commons, David Atkinson, Tory MP for Bournemouth East, obtained the information that

the Government is scheduling a number of pillboxes, built as defensive structures in the 1940s, as ancient monuments. They have been told that seven have been selected, four of them in Northumberland, two at Middle Wallon, Hampshire, and one at Christchurch, Dorset.

Matthew Saunders, Secretary of the Ancient Monuments Society, thinks there is little chance of the pillboxes' becoming extinct, simply because they are among the few buildings that are cheaper to retain than to remove. Demolition requires huge quantities of explosive, which in turn demands hefty insurance premiums.

Start Mummy, if you couldn't get into the Royal Enclosure because of Dad's divorce, why didn't you live with him?



Dovecotes are a different matter. From an estimated 25,000 in the seventeenth century, their number has declined to about 2,000. A few large ones have been found new uses, as a shop at Canon Wyke, Warwickshire, and another as a village reading room at Wilham Friary, Somerset.

Many are listed as historic and architectural interest, 15 of them Grade One. But there is a steady flow of applications to demolish

them because, even where dormer windows are fitted in the conical roofs, they are easily adapted. Their original purpose, Saunders points out, was strictly functional. So far from having an affection for doves and pigeons, our ancestors reared them to roast and eat for dinner. It was, he says, an early form of factory farming.

Service chopped

The depravations for racetrack at Ascot continue. Hard on the heels of the revelation that there are seasonal shortages of gulls' eggs and snapperberries come the news that the helicopter landing pad at the course was closed for seven hours because of a strike by air traffic controllers at Heathrow. The Civil Service unions, who organized the strike, reported with ill-concealed delight that the choppers were trapped at the racetrack until the strike ended at 9.30 last night.

Brideshead revised

The first television adaptation of Evelyn Waugh's classic novel *Brideshead Revisited* has reached the cutting room—after nearly two years in the making.

What was originally described as the largest-scale film serial production ever made for British television, the most expensive serializations ever made in this country, is now being shelved because of the TTV technicians' 1979 strike have forced costs up to £4m at a conservative estimate.

The serial, which is being edited

with a view to screening in the autumn, stars Jeremy Irons (of *Love for Lydia*) and the male lead in the film version of *The French Lieutenant's Woman* as Charles Ryder, Diana Quick (ex-National Theatre and the RSC) as Julia Flyte, and Anthony Andrews (ex-National Theatre, *Danger UXB*) as Lord Olivier. Claire Bloom, Sir John Gielgud, John Le Mesurier and Jack Acher.

The film, which was shot variously on location at Castle Howard (family home of George Howard, chairman of the BBC) and in Malta, Venice, Oxford, Manchester and London, is being co-produced with WNET, the New York public-television service, and with a West German television company based in Hamburg.

Leftovers

You will have read in this newspaper that Mark McCormack, a sports promotion manager, is to sign an exclusive merchandising deal with the Vatican which will help pay the costs of the Pope's proposed visit to England next year. The following advertisement in the *Market Trader* could be to his advantage: "For Sale ... Pope John Paul II, picture posters, full colour, full size (24 in x 17 in) on quality glossy paper ... 34. Vickers, 6 Wilson Street, Salford, Manchester. ... Owing to the Run-good Fletcher Ltd, conducting a large order, I have for sale 300,000 picture posters, half with cardinal red border, half with turquoise blue, the price 3 pence each (for the lot)."

Peter Watson

[illegible]

The growth of
Arab
banks, page 18

Business News

THE TIMES JUNE 19 1981



Stock markets

FT Index 541.1 down 3.7
FT Gilt 66.16 down 0.51

Sterling

\$1.9765 down 210 points
Index 95.2 down 0.4

Dollar

Index 108.1 up 0.9
DM 2.3567 up 190 pts

Gold

\$439.50 down \$2

Money

3 month sterling 12 1/2
3 month Euro \$ 17 1/2
6 month Euro \$ 17 1/2

IN BRIEF

Japan gives pledge on car imports

Mr. Rokusuke Tanaka, the Japanese Minister for International Trade and Industry, has agreed to convey to Japanese industry the British Government's concern that Japanese motor manufacturers should adhere strictly to their voluntary curbs on exports to the United Kingdom.

He gave this undertaking yesterday, during a 90-minute meeting with Mr. John Biffen, Secretary of State for Trade.

Mr. Tanaka has also promised to investigate the possibility of reducing the high tariff charged on shipments of Scotch whisky to Japan. He told Mr. Biffen that on his return, he would seek to promote a higher level of UK exports to Japan.

Mr. Biffen and his departmental officials were pleased by the sympathetic attitude adopted by the Japanese minister.

Discussions between the Society of Motor Manufacturers and Traders and its Japanese counterpart are scheduled to take place next month.

Saudi denial

Saudi Arabian oil minister Shalikh Yamani has denied reports that he said his country would cut its oil production. Asked if there was to be any change in prices and production, Shalikh Yamani said: "There is no decision on that yet."

Construction decline

Britain's construction industry suffered another setback when new orders for the three months to the end of April fell 9 per cent to £1,157m compared with the previous quarter's £1,268m or 12 per cent lower than in the same period a year ago.

Exports double

The United Kingdom exported £128.6m worth of coal mining equipment to 84 countries last year, almost double the amount sold abroad five years ago. Chinese orders totalled £26.5m and the United States £24m.

BSC consultation

British Steel workers should be consulted on the corporation's plans for the industry up to 1985, Mr. Bill Sims, general secretary of the Iron and Steel Trades Confederation, said yesterday at his union's policy conference in Bournemouth.

Ships fraud protest

Seven international shipping, trade and insurance groups have protested to the Greek government over what they say is the slowness of maritime fraud investigations, in particular into the case of the sinking of the tanker, Salem.

Hospital cash call

M. J. H. Nightingale's Over-the-Counter market, yesterday announced its second venture into private hospital financing, to raise £1.2m for the Hertfordshire Independent Hospital at Hitchin. Applications are being invited for up to 900,000 9 per cent cumulative preference shares of £1 each.

Courtaulds pay rise

Spinning and weaving workers at Courtaulds are to receive a 3 per cent rise backdated to May 4. They will get a further 2 per cent in November.

Office automation

The Government is to spend £2m setting up eight new pilot systems on office automation in the public sector as a guide to management generally.

Wall Street down

The Dow-Jones industrial average closed 11.41 points down at 995.15. The \$-SDR was 1.16044 and the £-SDR was 0.583106.

PRICE CHANGES

Rises	Falls
CRA 7p to 27sp	Johnson Matt 12p to 27 1/2p
Cornell Dresses 7p to 16sp	Ricardo Eng 15p to 34sp
Chertfield 5p to 33sp	Tankers Cons 3p to 30sp
Harrison Cros 15p to 85sp	Swiss Pacific 'A' 7p to 17 1/2p
Pauls & Whites 7p to 15sp	Weeks Petrol 5p to 43sp
Falls	
BP 18p to 33sp	
Castellfield 6p to 36sp	
Glaxo Holdings 6p to 28sp	
ICI 5p to 53sp	
Lamson 5p to 53sp	

Bank seeks tougher curbs on pay rises

By John Whitmore

MONEY SUPPLY

Figures released for the monthly amount of money in circulation, seasonally adjusted at the mid-month date.

	M1 £000m	M2 £000m	Private sector liquidity
1980			
April	27.7	57.8	102.4
May	27.8	58.7	111.0
June	28.5	59.2	111.8
July	29.5	62.3	113.8
August	28.5	63.4	114.8
Sept	28.5	63.4	115.8
Oct	28.5	63.4	115.8
Nov	28.5	63.4	115.8
Dec	28.5	63.4	115.8
1981			
Jan	27.3	67.3	120.8
Feb	27.7	67.6	121.8
March	27.5	65.1	122.8
April	27.2	65.4	122.8
May	27.2	70.8	126.8

MONTHLY CHANGE IN STERLING M3 AND DOMESTIC CREDIT EXPANSION

	Domestic credit expansion £m	Mon. fin. liability £m	Sterling M3 £m
1980			
April	+1,347	+898	+483
May	+1,303	+1,123	+1,501
June	+1,303	+1,123	+1,501
July	+1,303	+1,123	+1,501
Aug	+1,129	+1,578	+328
Sept	+1,129	+1,578	+328
Oct	+1,129	+1,578	+328
Nov	+1,129	+1,578	+328
Dec	+1,129	+1,578	+328
1981			
Jan	+1,129	+1,578	+328
Feb	+1,129	+1,578	+328
March	+1,129	+1,578	+328
April	+1,129	+1,578	+328
May	+1,129	+1,578	+328

Workers in many industries may have to accept negligible pay rises for a number of years if there is to be any sustained improvement in the United Kingdom's competitiveness in international markets, the Bank of England warned yesterday.

Larger pay increases would have to be paid for out of increased productivity.

In effect, the Bank is setting out the case for wage restraint in an even tougher way than the Prime Minister and the Chancellor of the Exchequer have done.

The Bank's observation that a fall in living standards is necessary if the economy is to be put on a sounder footing.

The Bank's comments come in the latest edition of its quarterly bulletin. It makes no attempt to state whether an incomes policy would be appropriate, but merely notes that significant progress has been made recently towards reversing the process of deteriorating competitiveness. Companies probably will continue to make great efforts to improve their competitive position, it says.

The Bank has consistently noted the sharp deterioration in the United Kingdom's competitiveness in previous bulletins.

It now estimates that the strong growth in pay in earlier pay rounds, together with the sharp rise in the sterling exchange rate, led to a 20 per cent deterioration in competitiveness in 1979 and an even larger decline in 1980.

The Bank, however, takes some heart from the trend of lower wage awards in the present pay round. It also sees some tentative signs of improving productivity. But the Bank is sceptical that an easier solu-

The Bank finds it difficult to take a particularly optimistic view of any of the major components of demand. Although it notes that output is now declining more slowly, it says that domestic demand, that investment will fall further this year and that consumer demand will weaken unless there is a run-down in savings.

The Bank feels, however, that monetary growth is roughly on target at present.

Although the true trend in the monetary aggregates becomes increasingly obscure the longer the civil servants' industrial action continues, the bulletin says that present indications are that, but for these distortions, the recent growth of sterling M3, the broad measure of banking money, would have been in line with the present target range of a 6 to 10 per cent annual growth rate.

The full May money supply figures, released yesterday, confirmed earlier estimates by the Bank that sterling M3 grew by 11 per cent during the month, or by an estimated 1 1/2 per cent.

The figures reveal that the public sector was the leading force behind the credit expansion of £1,064m. Bank lending to the private sector rose by only £44m (though this was probably a significant understatement of the underlying trend), while sterling lending overseas fell by £123m.

Two notable features of the figures were the high level of National Savings Investment by the private sector (£732m) and the further large increase in United Kingdom residents' foreign currency deposits (£770m, of which £300m was attributable to valuation changes).

Financial Editor, page 19

Williams and Glyn's offer free banking

By Catherine Guno

Customers of Williams and Glyn's Bank will no longer pay bank charges however low they run their accounts—and they may even dip briefly into the red without incurring charges on their transactions.

Yesterday Williams and Glyn's, sister bank of the Royal Bank of Scotland, abolished its £30 minimum balance below which bank charges were levied on transactions, but has kept its system of notional allowances. The system, permits accounts normally in credit to be overdrawn by up to 7 per cent of their normal quarterly credit balance before transactions will be charged for.

The news was received with interest by the four big clearing banks, which have just completed a round of increases in their own bank charges and, in the case of the Midland, doubling its minimum credit balance, to £100.

We are trying to represent ourselves as an alternative bank, and we thought we'd change our tariff in an alternative way," Mr. Bob Farley, a director of Williams and Glyn's, said yesterday.

Williams and Glyn's hopes that its return to free banking will help to boost its modest 3 per cent share of the Royal Bank of Scotland group, presently the subject of rival bids from the Hongkong and Shanghai Banking Corporation and Standard Chartered Bank. Both bids are being examined by the Monopolies Commission.

When Williams and Glyn's customers do incur bank charges, it will cost them more. The fee for a free banking account has gone up from 71p to 10p an item, and other transactions have risen from 15p to 20p each.

This is broadly in line with the big four clearing banks' charges which now range from 12p to 15p on automated items, and from 17p to 20p on other transactions. Minimum balances range from £50, at the National Westminster, to £100 at the other three.

In May Barclays started the banking scene when it decided to return to free banking. Customers of other banks cashing cheques at its branches, Barclays began the minimum balance system in May, 1971 with a £50 floor. The Midland followed suit in 1972 and Lloyds and the National Westminster took up the system in 1974.

Until yesterday only the Co-operative Bank and National Giro offered customers free banking.

Two new names for the Trident TV companies

By David Hewson



Mr. Ward Thomas, now chairman of Trident

The many-headed media empire of Pearson Longman, and the Sunderland brewers Vaux are likely to emerge as the main new financial backers of the Yorkshire and Tyne Tees television companies within a week.

The financial structure of both companies has been under question since the Independent Broadcasting Authority decided last December that Trident had to direct itself of a majority shareholding in both companies.

Trident is expected to announce an extraordinary general meeting at the end of this month to approve a new share structure for both stations. There is little doubt that the meeting will approve Trident's recommendation.

Though the company, which has enjoyed control of the two television companies for the last 10 years, will lose outright control, it will maintain an important stake in both organizations.

Both Yorkshire and Tyne Tees started life as separate companies. But because their audience areas overlapped and the two stations suffered financially as independent entities, their merger was negotiated 10 years ago with the blessing of the then Independent Television Authority, and largely by Mr. G. E. Ward Thomas, now chairman of Trident.

Trident expects to take a 15 per cent stake in the new Yorkshire station and 25 per cent in Tyne Tees in a financial shake-up which has already been agreed by the IBA. In addition, it will lease the Leeds headquarters of YTV to the new Yorkshire company, and one new studio to Tyne Tees before selling them in two years' time.

There will be no majority partners in either of the new Yorkshire and Tyne Tees stations. Pearson Longman, which publishes the Financial Times and the Economist, and owns the Westminster Press provincial group and Penguin Books, is expected to take a stake of at least 20 per cent in the Yorkshire company while the rest of the equity is broken up into smaller shareholdings.

State stake in BP to be cut

By Ronald Pullen



Signing the underwriting agreement yesterday, from left, are Mr. J. Hull of J. Henry Schroder Wagg, Mr. G. W. Mackworth-Young of Morgan Grenfell, Mr. Q. Morris, financial director of BP, Mr. R. Adam, deputy chairman of BP, and Mr. L. J. Fraser of Lazard.

British Petroleum yesterday launched the largest-ever cash-raising move by the private sector in the London stock market. Raising nearly two weeks of persistent speculation, BP is asking shareholders to put another £600m into the group to pay for new investment in the 1980s.

This is almost three times more than the last biggest rights issue from Imperial Chemical Industries in 1976 and is slightly higher than all the new money raised by private companies on the stockmarket so far this year.

The Government and the Bank of England, which have been keen to see BP's share price rise, have decided not to take up their entitlement because of the pressure it would cause to the borrowing requirement.

Mr. Nigel Lawson, Financial Secretary to the Treasury, in a Commons reply yesterday said that it would have cost £280m to maintain these buildings. As a result state holdings, which were cut 27 per cent in 1977 and another 5 per cent two years ago, will drop to 39 per cent.

The Government's decision not to take up its rights has complicated the terms of the issue which is having to be made in two parts. Shareholders are being offered one new share for every seven now held at 275p, payable in two instalments, against a market price of 330p after yesterday's 18p fall in the BP share price. The Government's holding is being offered to existing shareholders at 290p.

Despite some initial worries, the underwriting of the offer by City investing institutions went fairly smoothly yesterday, although the need to contact more than 600 investors took time and the process was not finished until mid-afternoon.

Of the total £624m BP is raising, just over 56m goes to the Government in capital duty (the old stamp duty) and the remaining £568m will go to the underwriters and the army of lawyers, bankers and other advisers who have been working on this for the last 13 weeks.

Sir David Steel, who soon re-enters as chairman of BP, explained that more money was needed for profitable investment outside the oil business in the 1980s.

Along with other oil companies, BP has been steadily diversifying away from oil following the moves by the oil-producing countries in the 1970s to take control of crude production.

Financial Editor Page 19

THF buys Kuwait Savoy stake

By Peter Wilson-Smith

After conceding defeat in its £507m takeover bid for the Savoy Hotel group, Trusthouse Forte has now bought a strategic shareholding in the Savoy owned by the Kuwait Investment Office (KIO) for £19.3m.

The KIO had agreed to accept the bid, but after Trusthouse's offer for the Savoy lapsed today it will be prevented from buying more than 2 per cent of the Savoy shares for a year under the Takeover Panel rules.

Early this week Trusthouse released all Savoy shareholders who had accepted its terms and encouraged them to sell their shares in the market before the offer closed.

The move adds weight to the view that Trusthouse Forte will make another attempt to buy the Savoy Hotel group in the future. Mr. Donald Durban, a director and company secretary, said: "We have got a large stake in the company, and obviously we are there for keeps. Clearly we are not going to go away."

Trusthouse bought the KIO stake of 9.6m "A" shares and 96,000 "B" shares through its bankers, G. W. Williams, at prices of 190p and £11.22, each respectively. With the shares it already owns it now has 60.16 per cent of the Savoy shares but because of the complex voting structure of the company it has only 37.47 per cent of the votes.

Trusthouse said that the Savoy was now legally a subsidiary but Mr. Durban said Trusthouse would not want to consolidate its results because of the losses it has been making.

In 1980, the Savoy Hotel group which includes also Claridge's, the Connaught and Berkeley hotels, lost £1.6m before tax.

Mr. Durban could not say whether Trusthouse would press for boardroom representation but said this would have to be considered.

Under the Takeover Panel rules, Trusthouse has to let at least a year pass from the time its offer lapses at 3.30 pm today before it is allowed to bid again.

Sir Hugh Wintner, the Savoy Hotel group chairman, said he was not surprised that Trusthouse had bought the KIO shareholding but he questioned whether it was in the interests of Trusthouse shareholders to have so much money invested in the Savoy producing such a low return. He said that business was good at the moment and the Savoy would now be going ahead with its plans to sell off part of its flats in the Strand for development.

Trusthouse's attempt to take over the Savoy has been thwarted by the opposition of the shareholders owning the free-voting "B" shares to its terms.

BOC rights issue fails to tempt City

By Michael Clark

Underwriters of BOC International's recent £32m convertible rights issue seem almost certain to have been left with 70 to 80 per cent of the stock. Speculation was rising in the City last night that the recent cash call had proved a failure, with few of the big City institutions taking up their allocations.

Last night the price of the convertible unsecured loan stock 2001/2006 issued at £100 remained at a discount, closing at 99p.

Paul Bonagant, finance director of BOC, admitted that very little money had so far been received, but he added that this was not unusual. He said he had heard of no speculation from the City suggesting that the majority of the stock would be left with the underwriters and was, therefore, unwilling to comment.

Sources close to BOC admitted that there was every possibility of between 70 per cent and 80 per cent of the stock not being taken up as the market had proved weaker since the announcement of the rights.

Although only a few acceptances have been received ahead of the call at 3 pm today the source claimed that this was not significant because acceptances often arrive just before the rights expire.

The rights issue from BOC, announced at the end of May, was one of several big issues accurately forecast by many of the dealers in the stock market.

Reports of a disagreement between the board of BOC and Lazard's, its financial advisers, over the terms of the rights issue did little to encourage the institutions.

The board of BOC was believed to have wanted to make the terms more attractive to investors to increase its chances of the cash being allotted in full.

Shares of BOC last night dipped 2p to 124p with many brokers ready to accept the worst.

Big gains for US dollar as interest rates surge

By Frances Williams

The dollar made substantial gains on all leading currencies yesterday in response to a fresh surge in domestic interest rates. This renewed expectations that United States rates were likely to remain high for some time, despite signs of an economic slowdown.

The dollar jumped 1.90 pfennigs against the Deutsche Mark, against which it is chiefly measured, to end London trading at DM 2.3667. Its trade-weighted exchange rate index, as calculated by the Bank of England, rose 0.9 to 108.1.

The pound lost 2.10 cents on the dollar, to close in London at \$1.9765, but it was fairly steady against Continental currencies.

The United States Federal Reserve rate was trading at about 20 to 20 1/2 per cent when London markets closed, compared with 18 to 18 1/2 per cent earlier in the week.

Continued moves by the Federal Reserve Board to keep the Fed Funds rate high are puzzling some observers. United States money supply growth has been slowing, according to the latest figures, and all the signs are that economic activity is slackening.

Lloyd's call for sell-off approval

By Richard Allen

Mr. Peter Green, the chairman of Lloyd's has written to members urging them to approve a parliamentary demand for a sell-off of their underwriting interests in the market within five years.

But in the same letter he launches an attack on a second parliamentary call for inclusion of the so-called "divorce clause" in the Lloyd's Bill. This would allow members who lose underwriting affairs from controlling underwriting syndicates.

The chairman stops short of asking the market's 19,000 "divorce" proposals when they vote on both demands on July 17. But he says: "I believe that Lloyd's would be gravely weakened if we adopted the 'divorce' proposition."

Lloyd's officials have been warned that the Bill, designed to improve self-regulation, may have to be withdrawn if either of the parliamentary demands for changes is rejected. However the market's ruling committee is still hopeful that the matter may go back to the Commons for further debate if the "divorce" clause is opposed.

Judgment reserved in Burmah Oil case

The High Court in London yesterday reserved judgment on Burmah Oil's £1,000m claim against the Bank of England.

Burmah, which was bailed out by the Bank in return for its 20.1 per cent shareholding in British Petroleum, alleges that the Bank took advantage of it in the aftermath of the 1974 oil crisis, and is seeking to recover the current value of the 77,817,507 shares.

The Bank has contested Burmah's claim that the sale agreement was an "unconscionable" bargain which the court ought to overrule.

The hearing, which began on June 2, had been expected to take two months to argue but took less than three weeks.

In his final submissions on behalf of Burmah, Mr. Leonard Hoffmann, QC, said that Burmah had been forced to sell in a hurry without being able to explore the market.

The price actually paid by the Bank should be compared with the price that would have been achieved without the constraint of a forced sale.

Yet the criterion used to fix the price of a block of shares which ordinarily would be sold with an eye to long-term considerations, was an average of prices over a short period during a time of completely untypical trading on the Stock Exchange, he said.

Mr. Justice Walton commented: "I cannot at the moment see a logical method of valuation. Everybody agrees the Stock Exchange was not really a very suitable yardstick, but it was the only one in existence and one from which at any rate one side would undoubtedly start."

Mr. Hoffmann said the sale of the BP shares was only one part of a rescue package which was "onerous" to Burmah. There was also an obligation to develop the North Sea fields.

In Burmah's cash position, it would be inevitable in the end that Burmah would have to sell its North Sea interests, which it subsequently did.

Arbuthnot Latham

A year of sound progress

Results for the year ended	1981	1980
Banking profit	£792,000	£643,000
Non-banking profits less interest and minorities	785,000	655,000
Profit after tax	1,577,000	1,298,000
Extraordinary items (non-banking group)	896,000	9,000
Group profit for the year	£2,473,000	£1,307,000

A final dividend is recommended of 8p per share, making 12p for the year (11.0p per share last year).

The Group has made sound progress with profits before extraordinary items up 21% and after such items up 89%.

An encouraging start has been made to the present year.

A. R. C. Arbuthnot, Chairman

The Annual General Meeting of Arbuthnot Latham Holdings Limited will be held on Thursday, 30th July, 1981. Copies of the Report and Accounts will be available after 1st July from the Secretary, 37 Queen Street, London EC4R 1BY.

BY THE FINANCIAL EDITOR

Paying the price of reshaping BP

British Petroleum has finally put the City out of its misery with the confirmation of its £600m rights issue. The prospect of such a mammoth cash-raising move at a time when a steady flow of rights issues elsewhere has been soaking up institutional cash has been enough to keep equities on the defensive for the past ten days since the rumours of a BP call became rife. But the market managed to take the news calmly yesterday with most of the 3.7 points fall to 541.1 in the Financial Times index down to the weakness in the BP price which closed 18p down at 330p.

Clearly the issue is going to restrain the market for a while even though the money is due to be paid in two stages. But at least BP has not attempted to squeeze tight terms out of shareholders with the 1-for-7 basis at 275p for the non-state holdings a comfortable 21 per cent discount on the overnight price while the ex-rights yield is a very attractive 9 per cent. And while there were some hiccups with the underwriting, most regarded the terms generous enough and the need to keep up their BP portfolio weighting strong enough to take up what was offered. As it is BP is proving to be something of a bonanza for the City with the underwriting fees alone worth some £12.6m and the total cost of the issue including capital duty running at almost £24m.

Unperturbed

If the City seemed relatively unperturbed by the issue, shareholders should view it with more reservations. While BP itself was making the right sort of bland noises about needing the money for profitable investment outside of its mainstream oil business, the timing of the issue—between better than expected first-quarter figures and what are expected to be very poor results for at least the next two quarters—suggests that BP has been forced into it on more pressing financial grounds.

Unfortunately, the inclusion of the cash-rich United States Sohio subsidiary gives the BP balance sheet an illusory strength since those funds are not available elsewhere in the business. Borrowings last year jumped by £553m as BP's cash flow was insufficient to cover capital spending (including the £410m spent on Selection Trust) and despite the attack on working capital through the run down of oil stocks. This year the trading position outside North America has gone from bad to worse with heavy losses in chemicals, refining and marketing and with a commitment to a capital spend almost as much as last year's £2,200m BP is heading for a sizeable cash deficit in the current year. In addition the group's heavy borrowing programme in the 1970s to fund its expansion into the North Sea and Alaska is coming to a crunch with almost £2,000m of BP's total debt of £4,540m due to be repaid by next March.

Structural change

So private shareholders, whose holdings will jump by 23 per cent as a result of the Government's decision not to take up its rights, are being asked to take a lot on trust at a time when the outlook for BP looks markedly worse than for, say, Shell. Indeed a harsh critic would say that BP's failure over the past few years to come to terms with the changed circumstances in the world oil industry, BP appears to have been much slower than Shell in adjusting to its position of being a crude short rather than the crude rich position it enjoyed in the 1970s. It has failed to make the necessary structural changes downstream to compete in world markets in contrast to Shell which is five years ahead in its programme to upgrade its refineries and the cut of the barrel where it makes its profits. That arguably is what shareholders are now putting their money up for nor the reorientation of the group in the 1980s the board is now arguing.

Meanwhile, the decision to go for a straight rights issue instead of a Eurobond or other convertible issue looks expensive given the earnings dilution and the ACT problems on the dividend. But BP justifies it on the grounds that it was cheaper after tax.

● The staff buy-out plan for National Freight Company is an intriguing development in the Government's privatization programme. It is highly ambitious in its desire to transfer the entire company into the hands of its employees and it is an indication of the way the Tories' evangelizing belief in the desirability of the open market taking on public sector enterprises has had

to be carefully tailored to the real world. For there can be little doubt that a straight flotation of NFC presented enormous problems arising from the disentangling of its structure and in pricing on the basis of its somewhat erratic record. The sickening slump in the performance of British Airways has already left that slice of privatization somewhere far in the future and further slippage in the schedule would have begun to look suspiciously like radical underachievement by the time the next election came around.

Philosophically, of course, the move chimes in with the growing feeling in some circles inside and outside Government that the existing capital market structure is too rigid to take on the demands of privatization at one end and new venture capital at the other. As the biggest ever management buy-out, NFC could, in this context, represent a significant landmark in the path of Government industrial policy.

English China Clays

Managing the volume drop

With four-fifths of clay production sold into the depressed paper industry and the same proportion exported, it is no surprise that English China Clays has seen last year's fall in volume accelerate. Deliveries tumbled by 16 per cent in the first half and although a combination of early retirement, closure of less efficient pits and government assistance have helped to contain costs, there was only partial relief from the 7 per cent price rise in January.

But considering that the first half has also borne lower profits from quarries where volumes were up to 18 per cent lower and the seasonally poor result from the holiday side, a 22 per cent drop in pretax profits to £14.9m on sales down by 9 per cent to £155m looks a fair achievement for such a capital intensive company. Enough, in fact with the 8 per cent dividend rise to lift the shares 2p to 120p.

At this stage ECC sees no likelihood of an upturn before the autumn at earliest and despite an 8 per cent pay settlement in March the market is unlikely to bear another price rise in clay before next January. But demand has at least flattened out and the United States clay operations have been suffering far less from the recession than the domestic side. There will also be a second half contribution from holidays to look forward to while activity in the house-building division has been picking up.

So full-year profits should run out between £33m to £35m compared with last year's £40.5m to give a full-year p/e ratio of about 12 and a yield of 7.7 per cent if the final dividend follows the interim up. When demand recovers and prices can be pushed up, ECC's profits should quickly recover and the fall in sterling against the dollar will tend to ease competitive pressures in the future, all of which suggests that the shares are still mildly attractive for the safe yield even though the dividend will not be covered under CCA.

● The gilt-edged market found a moment to catch a glimpse of the unenviably firm trend in short term United States interest rates—the Fed Funds rate was again around the 20 per cent level—and marked prices lower across the board.

The full May money supply figures went largely unnoticed. The Bank confirmed that sterling M3 rose by 1 per cent, and probably by 1.1 per cent after making allowance for the effects of the civil servants' industrial action. That seems to leave underlying growth in line with the 6-10 per cent target, but, as the Bank says, the longer the dispute continues the denser the fog gets.

On the face of it, the increase of only £44m in bank lending to the private sector looks rather encouraging. But the assumption must be that it significantly understates the underlying trend.

Certainly, the much slower rate of increase in M1 last month (0.5 per cent against 4.9 per cent in April) suggests that companies may have been increasingly using unsecured borrowing to run down borrowing rather than building up fresh deposits.

One figure that does stick out clearly through the fog, however, is the contribution to monetary control in May made by the sale of National Savings Instruments. These totalled a record £732m, helped in large part by final sales of the Nineteenth Issue of savings certificates. The authorities will not be able to rely on that kind of help in future.

Getting a freight consortium on the road

The Government's policy of "privatization" received a considerable boost yesterday with the news that senior management of the National Freight Corporation have offered to buy the organization and offer shares to employees.

It is expected that the NFC, previously the National Freight Corporation, will cost its potential owners at least £30m and that the 28,000 management and staff will raise up to £6m themselves and have control of the company.

Businesses over which they would in future have control include such household names as British Road Services and Pickfords. Ironically, operations which in many people's minds are associated with private sector industry rather than an amorphous nationalized conglomerate.

The corporation was established under the Transport Act 1963 as part of the then government's attempt to nationalize the road haulage industry. But, unlike other publicly-owned organizations, it never achieved a monopoly, while it was always the biggest concern in its field, it never controlled more than 10 per cent of the road haulage market.

This minority share allowed it to be seen as the perfect example of a publicly-owned company fighting with private firms within the disciplines imposed by the mixed economy.

In the middle of the 1970s, however, the corporation had to battle with severe financial problems brought on particularly by the fact that it was allowed to borrow money from the Government which it then had to pay back at high interest rates.

Nevertheless, from a loss of £10m in 1975 it turned in a trading profit of £4m in 1976 and in the next two financial years achieved profits in excess of £20m. The recession, however, pushed it into the red.

The corporation was the only state organization to be named in the Government's general election manifesto in 1979 as a candidate for return to the private sector, a process which was clearly seen as the acquiescence of senior board members.

The transfer to a limited company in October last year marked the first stage in the Government's plans to sell NFC to the private sector; although it was expected that a sale of shares would not occur until the middle of 1982 at the earliest.

The newly formed company took over the assets, liabilities and businesses of the old NFC, including road haulage, cold storage, travel and removals. Peter Thompson, the man leading the consortium bid, has been chief executive of the NFC since 1977, having joined the organization as group coordinator of British Road Services in 1972. Before that he was group controller for the Bank of Scotland and was 66 and head of transport for the British Steel Corporation (1968-72).

A former rugby player he now confines himself to less arduous ball games like golf and tennis, though he is unlikely to have much time for such pursuits over the next few months.

Mr Thompson has been a long-time advocate of privatization, but under the Labour Government was not above asking the powers-that-be to give the haulage industry in general (and of course the NFC itself) some shelter when times were hard.

His theme in those days was that the Government should restrict entry into the industry in depressed times. When demand was low, established hauliers were too often going to the wall, while new entrants were coming in and exacerbating the situation.

Speaking at an international transport conference in 1978 he likened road haulage to a cottage industry in which anybody with a persuasive manner could get a lorry and set up in business. He will doubtless be hoping that his own powers of persuasion will not flag in the coming weeks.

Edward Townsend

How the Arabs moved into international banking

There is an air of relaxation among international bankers on the subject of petrodollar recycling these days. Whatever fears were being aired a year or so ago over the international financial system's ability to recycle the vast enlarged oil surpluses to deficit nations have largely evaporated.

They have done so owing much to the startling emergence of Arab-owned banks as a major power in world banking markets.

Over the past 18 months international bankers have increasingly come to recognize the willingness of hitherto marginal Arab banks to participate on a growing scale in the big syndicated credits which form the backbone of the recycling process.

The full extent of the Arab commitment to the development of a banking presence has only lately become apparent. The start of the story lies in the balance sheet transformation of a number of recently formed institutions. While still relatively small in absolute terms, their growth has been on a scale rarely seen in the cautious world of banking. Even the expansion of Britain's ill-fated secondary banks in the early 1970s pales by comparison.

The case of Gulf International Bank, which is fairly typical. Owned by seven Arab governments, its assets doubled last year to \$2,833m (\$1,449m). To underpin this growth the shareholders have this year put in new capital to raise equity to \$1,000m from \$500m, compared to \$125m last December. The low portfolio, which was a mere \$73.6m at the end of 1977,

reached \$1,130m by the end of 1980. The bank helped manage loans totalling over \$12,000m, four times the 1978 figure.

Others can tell a similar story. Arab Banking Corporation was set up in January 1980. By the end of its first year of trading the balance sheet totalled almost \$2,000m. Since then it has risen to well in excess of \$3,000m.

Arab Latin American Bank, also backed by a new capital injection, doubled in size last year. Saudi International Bank grew by 56 per cent, while Saudi Investment Banking Corporation, set up in 1976, was up by 84 per cent and Arab African International Bank by 46 per cent. Assets of Union de Banques Arabes et Francaises increased by 40 per cent, and while European Arab Bank's growth was a more modest 17 per cent its profits were well over double.

Even these impressive figures are now looking sadly out of date. Between January and April this year, according to Morgan Guaranty Trust's calculations, Euro-loans in which Arab banks played a lead or co-lead management role totalled \$12,000m. This is already 50 per cent up on the entire 1980 figure. By volume they participated in almost 45 per cent of all published Eurocurrency credits, compared to just over 10 per cent in the whole of last year. Clearly there is no slackening of momentum.

If there is any surprise in all of this it is not so much that it is happening as that it has taken the Arabs so long to get aboard the banking bandwagon.

The logic is not unlike that which has taken several oil rich states downstate into such fields as petrochemicals and shipping. If there are profits to be made from the transformation of raw material—whether it be crude oil or money—into some more sophisticated product, why should the Arabs allow those profits to be siphoned off by outside intermediaries?

In the case of banking this means that instead of simply placing the oil surpluses on deposit with Western banks—which is what mostly happened in the mid-1970s—the Arabs, as shareholders as well as depositors in their own banks, should keep to themselves the margins earned on lending and the arrangement of financing packages.

To the extent that the Arabs commit themselves to capitalizing their own banks or to involving themselves in the longer term investment banking markets there is a loss of the highly-prized flexibility and safety which prompted them earlier to concentrate on short-term depositing with Western banks.

The Arab-owned banks do not have behind them the luxury of a Western central bank to act as ultimate lender of last resort and thus as effective guarantor of their deposits. The banking risks are obviously having to be borne by the Arabs themselves.

There are, however, been growing doubts about how flexible and secure the policy of depositing with Western banks really is. Bulk withdrawal of funds is not practical without

exposing the bank in question to severe liquidity pressures. And the freezing of Iranian funds by the American banks has raised serious questions about the independence of the Western banking system from political interference.

Further, some Arab depositors have come to recognize that the accumulation of ever larger balances in Western banks could ultimately be counterproductive. One of the main fears raised by bankers after the last round of oil price increases was that their balance sheets might not be sufficiently strongly capitalized to enable them to take on board the deposits necessary to meet the financing needs. Had this worry proved justified, the would-be depositors could have found themselves being discouraged from adding to their existing deposits, perhaps through the device of discriminatory low interest rates.

By expanding their own banks the Arabs have, in fact, done much to make sure that the feared balance sheet problems are contained. In a word, they have added to world banking capacity just at the time when it was needed most. From the point of view of international bankers is that the emergence of aggressive, asset hungry Arab banks, by adding to the liquidity of the market, is contributing to the downward pressure upon lending margins which are already extremely thin. But then they cannot expect to have it all ways.

Christopher Wilkins

Technology

As much as a human can bear...

Millions of man-hours are lost to industry through employees suffering backache or strain caused by operating poorly designed machines and tools, or moving awkward and heavy loads. Production is also interrupted by injury from other causes, such as vibration and excessive noise.

Although these occupational hazards are well recognized, eliminating them is another matter; and they are not problems that disappear overnight by a wave of the magic wand of new technology.

But help is coming from a new, unexpected quarter. Companies are preparing to plan their workshops and manufacturing lines to take account of these hazards. The necessary information is emerging from a recently formed team of Ministry of Defence scientists at the Army Personnel Research Establishment at Farnborough. They are measuring factors which limit a soldier's ability to cope with advanced technical equipment and new types of vehicles, or to carry out routine jobs under difficult working conditions.

The problems of the factory and office manager may at first sight seem distant from those of the Army. Indeed, the military research emerged because the generals foresaw that the development of a wide range of new equipment, including man-operated guided missiles and nuclear, chemical and biological weapons, had important

implications for the efficiency of the soldier on the battlefield.

A task force of 120 physiologists, biologists, psychologists, computer scientists, technologists and soldiers is therefore looking for the point at which human factors set the limit to the use of technology. It is the stage at which the matter how advanced the engineering, it is the man who causes the complicated equipment to fail.

Dr John Nelms, director of the establishment, says: "In an area where there is almost nothing the engineer cannot build, man is the limiting factor. The research programme marks a new stage in the evolution of the army in looking at how best to make the soldier and technology compatible. If we do not get the relationship right, the next battlefield could be a shambles."

To meet the vast range of occupational hazards faced by the armed forces, the research group is measuring the limits imposed by physical stress arising from heat and cold, noise and vibration; psychological stress of putting high technology systems into battle-ground conditions. The Army also has an obligation during peacetime and training exercises to ensure that its men are not exposed to greater risks to, say, hearing than those encountered in a well-run industry.

Trials to discover how stress cuts the efficiency of a man with a guided missile or a new

tank electronic control and firing system, perhaps by reducing his "hit rate" from 100 per cent to only 50, may appear to be a special military requirement. But it is also relevant to the introduction in industry and commerce of new technologies with keyboard controls and visual displays. The psychological test of the battlefield may be missing, but measurements of the degree to which an operator's skill is impaired by constant noise and other stressful interruptions are of concern to all businesses.

Different patterns of noise are measured at Farnborough because damage to hearing is produced in various ways. Impulse noise from gunfire produces very high pressures on the ear of a short duration, making the effects on the ear difficult to measure. For instance, a rifle shot produces a maximum pressure of 160 decibels, lasting less than a hundredth of a second, at the ear of the marksman, whereas a typical industrial noise might reach an average level of 90 decibels over most of the working day. Some idea of those noise levels is given by what a person hears about 20ft from a roadway—for motor cycles it is 85 decibels, cars 80, light commercial vehicles 88 and heavy lorries 92.

The effect on the body of lifting, loading and carrying objects is perhaps the work that has the widest common application to industry and the Army. But the methods used by the research team and the trials

section—a group of regular soldiers seconded for two years for this work—to measure physiological limitations imposed by physical stress and strain are far from usual.

The measurements involve monitoring muscle fatigue by analysing the bioelectric signals produced during movement and exhaustion. The energy expended and the muscle strength. An indication of the strain on the cardiovascular system is made by recording variations in heart rates during work. A tiny cassette tape recorder attached to the individual's clothing logs the signals. Particular tasks scrutinized at Farnborough include such things as the physiological strain in loading 12mm ammunition within the turret of a tank. The importance of this type of study was underlined by an analysis of the prototype of an advanced new armoured vehicle, which the specialists in human engineering showed could be operated by about 5 per cent of the men in the Army.

Much of this information is being compiled as manuals that will be available to industry as well as suppliers of defence equipment to the Ministry of Defence. It will provide a new valuable material for the scientific discipline known as ergonomics—fitting the job to the worker—and by several universities and polytechnic research groups have also made important contributions.

Pearce Wright

Business Diary: Entering the lists

America's "junk mailers" have produced a booklet telling victims not only how they get on to mailing lists but how to get off them—and stay off.

I telephoned the Direct Mail Marketing Association in New York yesterday to ask how widely the booklet was being mailed, but its number was busy, possibly with calls from households asking to be left in peace.

You get on a mailing list, the DMAA says, simply by being in the telephone book, or by owning a car or house, or belonging to a professional association—all leading to your being publicly listed.

You get on still more lists by dealing with a mail order company, which may then rent out your name, unless you specifically ask them not to.

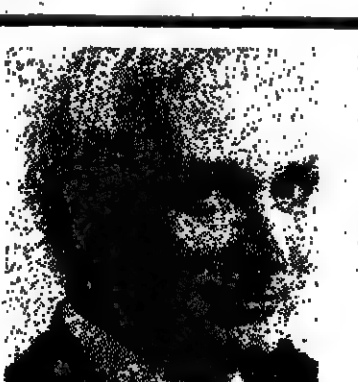
To get off—and stay off—some lists, you add your name to yet another list which the association circulates to members, although junk mail will continue to roll in from non-members.

The association says: "Just about the only way not to be on some kind of mailing list is to become a hermit... and (verbally deleted)... you might find your name popping up on a list of American hermits."

Atomic energy chiefs and trade union leaders are scrutinizing with dismay and glee respectively the judgment of Douglas Keith, QC, upholding a claim that a crane driver at the Dounreay nuclear power plant in Scotland died from exposure to radiation.

Keith, a Department of Health commissioner, has accepted an appeal by Mrs Jeannie Gillen, the widow of Alexander Gillen, who died 19 years ago. She first brought her request for industrial benefit five months after her husband's death.

The United Kingdom Atomic Energy Authority, which owns

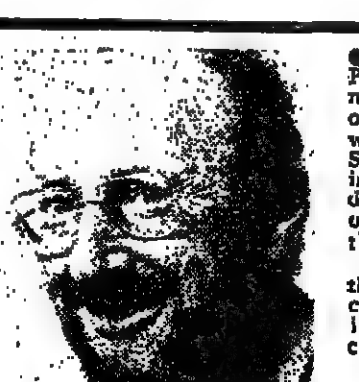


Novel intentions: publishers-to-be Clive Sinclair (right) and Patrick Browne, in London yesterday.

Clive Sinclair, the man whose Sinclair Radionics produced the Microvision pocket television, is returning to his first love, publishing. He is establishing a new fiction and non-fiction house, Sinclair Browne, with Cambridge bookseller Patrick Browne.

Sinclair, 40, a man who likes to do things in style, is also to offer a £5,000 annual Sinclair Prize for Fiction. This will be for a novel which is not only of great literary merit but also of social and political significance.

The chairman of the panel of judges will be Frank Kermode, the King Edward Pro-



fessor of English Literature at Cambridge, who lives and works in Cambridge, began as a technical journalist before founding Radionics nearly 20 years ago.

Like the other Oxbridge publisher, Robert Maxwell—whose Pergamon Press is at Oxford—Sinclair and Browne are particularly interested in putting out translations. However, theirs will be of fiction and not, like Pergamon's, of scientific periodicals.

Sinclair Browne is already commissioning work. Translation Book Club of existing titles is promised for September.

The winner, most unexpectedly, is a girl—sixth former Celine Harris, who struck gold with an essay on the subject "Technology should be a compulsory part of the school curriculum."

But not only is a girl the overall winner, the joint winners of the second prize, worth £50, are also both girls—Frances Every of St. Andrew's School, Winchester, and Helen Rudman, of Henbury Comprehensive School, Bristol.

What makes this unusual is that metallurgy is very much a man's subject, at least as measured by membership of the Institution of Metallurgists. There are about 10,000 members, of whom "very few" are women. I learnt from the institution's north London headquarters.

The Nationalized Industries Chairman's Group is, I learn, united on the need to change its name, but cannot agree on the new one.

Among the ideas aired has been the "Group of Public Enterprises" (Grape). There is also the "Association of Nationalized Enterprises"—Acne.

Some might like the "Organization of Public Enterprise Chairmen", but then Opec is already spoken for.

In view of their present plight under Thatcherism, perhaps an opposite choice would be the "State Industries Chairmen's Club"—Sicc.

Ross Davies

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19th June, 1981

FINANCIAL NEWS

Pauls & Whites' shares leap as target is beaten

By Margaret Pagano

Unexpectedly higher earnings and an increased dividend from Pauls & Whites, the Ipswich malsters and animal feed group, saw the shares gain 9p to 155p yesterday.

Pretax profits rose from £7.9m to £8.6m on sales of £21m up to £24.7m. The final dividend is 6.78p gross, making a total for the year to March 1981 of 9.2p gross compared with 8.2p last time.

Mr John Clayton, managing director, said that the unexpected increase came mainly from the better margins earned on malt export volumes. Exports worldwide, particularly to Africa, increased significantly on the previous year's level.

But with beer production depressed in the United Kingdom, demand for malt fell. Profits of

Briefly

Continental & Industrial Trust: Pretax revenue for year to May 31, 1981, £3.06m (£3.6m). Total gross dividend, 15.71p, against 19p, including special dividend of 4p. Net asset value per ordinary 25p shares, 377p (379.5p).

Northern Securities Trust: Pretax profits for year to March 31, 1981, £283,000 (£286,000). Total payment unchanged at 5.28p gross. Ace Belmont International: Sales for six months to end of £16.2m (£16.1m). Pretax profits, £481,000 (£470,000).

Charter Trust and Agency: Pretax revenue for half-year to May 31, 1981, £930,000 (£970,000). Interim payment is unchanged.

British Steam Specialities Group: Pretax profits for year to March 31, 1981, £46,69m (£47.25m). Pretax profits fell from £3.78m to £3.87m. Total dividend is unchanged at 7.5p gross.

Arbuthnot Latham Holdings: Profit, after tax, for year to March 31, 1981, £1.91m (£1.75m). Group profits, after extraordinary items and transfers from capital reserves, jumped from £1.3m to £2.47m. Total dividend, gross, up from 15.71p to 17.14p.

Mercantile House Holdings: International money-broker subsidiary M W Marshall, has now opened its office in Tokyo. Mercantile House Inc, a United States municipal bond broker based in New York for \$30,000.

KCA establish Saudi Arabian joint venture: KCA International have signed two joint venture agreements with Yusuf Ahmad Algaibisi Establishment of Al-Qubair in Saudi Arabia to establish new projects to develop the respective activities of KCA and the Algaibisi interests. In the first letter of intent the two concerns have agreed to form a joint venture company which each will hold 50 per cent.

Leopold Joseph Holdings: Net profit, after tax and transfer to income reserves, for year to March 31, 1981, £43,000 (£43,000). Total gross dividend, 14.54p (13.57p).

Creeby Woodfield: Turnover for year to March 31, 1981, £10.25m (£10.61m). Company did not make a profit or a loss, before tax, for the year, compared with a pretax profit of £272,000 last time. Dividend, gross, 0.071p (equivalent of 0.62p last year).

Westrick Products: Sales for year to March 31, £16.04m (£16.1m). Pretax profits, 404,000 (£752,000). Total gross payment, 5.71p (5.35p).

Michelin Tyre: Turnover for 1980: £474.25m (£424.68m). Pretax profits, £14.18m (£27.11m).

Charterhall: Two further onshore petroleum exploration licences have been awarded to a group comprising British Sun Oil, London and Scottish Marine Oil and Charterhall Oil. These licences cover a combined area of 765 square kilometres between Reading and Swindon.

Beil & Stone: Pretax loss for year to May 2, 1981, £242,000 (profit, £159,000) before tax credits of £381,000 (£1,000 credit last year). Total dividend cut from 5.6p to 6.07p gross. Turnover: £4.7m (£4.57m).

Kenning loses £1.7m and may cut payout

Derbyshire vehicle distributor Kenning Motor Group has plunged from a profit of £2.49m to a loss of £1.69m before tax, as sales fell little from £121.9m in the six months to March 31, but the interim dividend is maintained at 2.5p gross. Although there are some signs of an improvement now, Mr David Kenning, the new chairman, warns shareholders that if better times fail to materialize by the year-end, the group's dividend policy then will reflect that situation. The motor business in Britain has been particularly hard hit by the recession.

The shares slipped 7p to 81p after the figures yesterday. The dividend is not covered and there is an attributable loss of £1.3m, against profits of £2.14m a year earlier. Pretax profits for 1979-80, £3.1m, well down from £8.4m the year before.

Trading profits tumbled 40 per cent to £4.88m in the first half of this year. Exceptional

Tunnel rises to £15.5m

Tunnel-Holdings, the cement group which escaped being taken over by Thomas W. Ward through the intervention in the market of mining giant Rio Tinto-Zinc, has reported pretax profits up by £5m to £15.5m in the year to March 25. Turnover in 53 weeks rose from £67.35m to £71.19m, rebutting the Ward bid. Tunnel projected pretax profits in excess of £14m, and the following month after Ward had raised its bid, the board went for more than £15.2m. The gross dividend is to be 22.16p as indicated, with a final of 12p net or 17.2p gross. Earnings a share worked out at 43.7p.

Tunnel shares closed at 422p, near the 1980-81 high of 490p where the yield is 5.1 per cent. During the bid battle with Ward, which eventually had a cash alternative of 435p, Rio Tinto-Zinc wound up with 11.2 per cent of the B shares and 8 per cent of the total votes.

Hawley not bidding for Camrex

Hawley Leisure, the amusement machine group, yesterday abandoned any takeover plans for Camrex, the specialist coin-operated machines, because it would not be in the group's best interests.

Mr Michael Ashcroft, Hawley chairman, said after Camrex's statement that a fair price for its shares would have to be above the group's net asset value of 70p per share that Hawley has no longer interested. "Hawley has taken the view that an offer acceptable to Camrex would not be in the best interests of Hawley," he said.

Hawley, which now holds 18.4 per cent of Camrex, had in May sought proposals for an agreed bid but Camrex had not reacted. Camrex shares dropped 2p to 46p on the news.

Flexello loss but board hopeful

Flexello Castors and Wheels made a pretax loss of £399,000 against a profit of £171,000 for the half year to March 31. There is no interim against 2.01p gross.

The board considers that by the end of the financial year the company will be trading profitably and prospects are better. However, for the year as a whole it is inevitable that a loss will be incurred.

Milford Docks' loss

Milford Docks Co slumped from a pretax profit of £166,000 to a pretax loss of £157,000 in 1980. Turnover slipped from £2.12m to £1.89m. The total dividend is being cut from 9.77p to 0.71 gross. Although current trading remains difficult, the

B & C falls to £24m but expects recovery

British & Commonwealth Shipping has seen pretax profits fall from £28.5m to £24.2m in the year to December 31 but hopes for an improvement next year.

Operating profit was down from £15.9m to £10m, but this was after a £7.8m deduction for the strengthening of aircraft interests, including an exceptional depreciation charge of £5.8m. The master company of



Sir Nicholas Cuyler, chairman of British & Commonwealth Shipping.

The Cuyler empire, Calcedonia Investments, has a 49 per cent stake in the group.

Gains from shipping went from £305,000 to £208m because of new ships and better freight rates, while points in aviation support services rose from £2.8m to £3.58m, despite a setback at Air UK and losses from hotels. Recreation also hit office equipment and financial services.

The group says: "Present indications are that the profits before taxation will show some improvement over those for 1980." But the directors say that the figures from an international transport company are hard to predict. Some recovery from world recession may help but the absence of the £7.8m provision should also contribute.

The B & V ordinary dividend is 17.87p gross again, payable from earnings of 41.1p against 43.7p. The gross dividend in Calcedonia Investments rose from 17.88p to 19.30p a share. Pretax profits fell from £45.2m to £41.4m.

Belhaven Brewery

Pretax profits at Belhaven Brewery reached £599,000 in the period March 31, 1980, to April 7, 1981. This compared with £111,000 for the preceding year, after charging losses of £136,000 for the Bermuda offshoot which was sold in March 1980. For the second time running, no ordinary dividend is being paid.

Hampton ponders next move over Parings

Hampton Gold Mining Areas, assessing the situation in Parings Mining and Exploration where Hampton's offer has been overtaken by the counterbid from Apollo International Minerals of 80p cash a share, valuing Parings at around £3m. Apollo also has 35.7 per cent of Parings while Hampton has only 25 per cent.

Good start made by William Press

Mr W. A. (Tony) Hawken, chairman of William Press Group, reports in his annual statement that 1981 has started well and that following the reorganization, the group is better

Business appointments

Lord Winger has been elected chairman of the board of governors of BUPA replacing Sir Michael Milne-Watson, who retires after five years as chairman.

Mr James Beveridge has been made a director of Powell Duffryn.

Mr Philip Lewis is now director and general manager of Mattew-Bell Mining and Mr Brian Cartwright has been made a director of Matthew Hall Norton Engineering.

Mr Brian Shields has become marketing and sales director of Tarmac Construction Holdings.

Mr Patrick Sheehy is now vice-chairman of BAT Industries. He will succeed the present chairman in October 1981 when Sir Peter Macdonald resigns.

Mr Paul Bradshaw is the new managing director of Skandia Life Assurance. His post of secretary will be taken over by Mr Jeremy Goford.

Mr Colin Chubb is now managing

Signs of late recovery after BP

News of the £600m rights issue from BP hardly came as a surprise to the market yesterday, but it was enough to kill off any remaining investment demand.

The call-back had been widely predicted and the real question for dealers was not so much the timing of the announcement but the amount. Earlier estimates had talked of up to £1,000m. Jobbers last night were adopting a cool attitude to the rather complicated terms, although most institutions are expected to take up their allotments.

However, this proved of little comfort to the rest of the market where sellers gained the upper hand from the outset with prices drifting steadily throughout the day. Generally though, the announcement was viewed with relief as the threat of the rights issue had cast a shadow over the market for over a fortnight.

By the close, prices were showing signs of recovery, with most closing above the 500p. The FT index, which opened the day 1.2 lower, increased the loss to 4.1 at 3 pm, before closing 3.7 down at 541.1.

Gilt, too, were shaken by the news of the BP rights and sellers were soon on the scene with prices drifting across the board. The selling increased after hours, amid news that the Chemical Bank had raised its broker-loan rate by a full 1 per cent to 20 per cent. Most dealers were interpreting this last night as a prelude to a renewed increase in United States prime rates.

As a result longs were showing falls of £1 by the close, with shorts up to £2 easier.

Leading industries were again in the doldrums as prices drifted steadily lower. BPC International closed 2p lower at 124p, amid fears that its recent £82m convertible rights issue might have fallen flat. Estimates that are up to 80 per cent may

Company	Share price	Profits	Earnings per share	Dividend	Pay date	Year's total
Arbuthnot Latham (F)	15.2(15.1)	0.48(0.75)	17.9(12.1)	8(7)	6/8	12(11)
Arbuthnot Latham (F)	15.2(15.1)	1.91(1.75)	20.9(17.6)	4.7(1.5)	3/8	2.5(5.0)
Arbuthnot Latham (F)	15.2(15.1)	0.39(0.11)	4.7(1.5)	1.5(3.0)	3/8	2.5(5.0)
Arbuthnot Latham (F)	15.2(15.1)	0.26(0.31)	3.0(4.7)	7(7)	3/8	5.25(5.25)
B & C Shipping (F)	30.9(31.7)	24.1(28.6)	41.1(43.7)	2.3(3.7)	7/8	11(13.3)
B & C Shipping (F)	30.9(31.7)	1.87(3.78)	18.7(24.8)	1.2(1.3)	11/9	10.7(10.4)
B & C Shipping (F)	30.9(31.7)	0.39(0.37)	0.9(1.3)	8(7)	10/8	19.5(12.5)
Calcedonia Inv (F)	9.2(9.56)	4.14(4.52)	14.9(15.7)	7(7.5)	7/8	11(13.3)
Cont. & Ind. Inv (F)	10.2(10.8)	3.06(3.5)	11.04(14.06)	0.85(0.35)	11/9	0.05(0.43)
Creeby Wood (F)	10.2(10.8)	0.5(0.7)	0.5(0.7)	1.2(1.3)	11/9	10.7(10.4)
Dundee & Lon Inv (F)	10.2(10.8)	0.48(0.45)	1.0(1.0)	2.7(2.5)	11/9	10.7(10.4)
English China (F)	15.2(15.1)	14.9(19.07)	6.45(8.35)	1.7(1.1)	11/9	10.7(10.4)
Flexello (F)	3.77(3.01)	0.59(0.17)	0.5(0.7)	1.5(2.3)	11/9	10.7(10.4)
Hampton Gold (F)	7.1(6.7)	0.64(0.54)	23.2(18.5)	8.5(7.2)	1/10	10.45(9.5)
Kenning Motor (F)	121.9(122.7)	1.69(2.55)	6.2(7.7)	1.7(1.7)	15/10	5(5.5)
Leopold Joseph (F)	219(206)	0.52(0.49)	0.5(0.7)	1.5(2.3)	3/8	2.75(3.96)
Milford Docks (F)	4.7(4.2)	0.15(0.16)	13.34(7.1)	0.5(6.34)	30/7	0.5(6.34)
Nthn Secs (F)	24.7(22.6)	0.28(0.26)	4.74(4.62)	3.4(3.4)	25/7	4.4(4.4)
Pauls & Whites (F)	155(155)	0.81(0.97)	27.1(23.9)	4.75(4)	7/8	6.5(5.75)
Tunnel Holdings (F)	422(422)	15.7(15.7)	15.7(15.7)	2.5(2.25)	—	4.0(3.75)
Westrick (F)	16.04(16.1)	0.4(0.75)	15.5(12.3)	2.5(2.25)	—	4.0(3.75)

BCA may bid for Blacks

British Car Auctions yesterday expressed interest in making a bid for Black & Edgar, the car camping and caravan group which trades as Blacks at some future date.

BCA started buying shares in B & E six months ago and now hold a 6.45 per cent stake or 1.2m shares. The shares were undervalued at 30p on the news.

Mr David Wickens, BCA chairman, said: "We are very interested in the tent and caravan park parts of B & E's business, which are in a very credible state after it got rid of the caravan manufacturing concern. A couple of companies are also interested in parts of B & E have been to us and it might be that we can agree on a deal. But we are in a hurry. It is a good investment."

Stockbrokers back rationalization move

Stockbrokers expressed some sympathy yesterday with the agreement by the five leading jobbing firms to rationalize the number of stocks in which they deal.

The unprecedented move leaves only two jobbers making prices in 107 of the companies quoted on the Stock Exchange in at least three sectors, building, shipping and foods. All the firms were hoping money in many of the stocks where turnover is small.

Senior partners at several of the larger brokers described the rationalization as constructive and dismissed notions that competition would decrease.

They pointed out that two strong competing firms who are profitable must be healthier than five who are not and this could only be best for them and for their clients.

For the last month the jobbers have been discussing the reorganization and the Stock Exchange has been kept informed. But it is likely that the move will be referred to the Restrictive Practices Court.

Mr Michael Sargent, a partner at Alroy & Smithers and coordinator for the jobbers, said it came as a direct result of the shift in balance between private investors and the institutional fund managers, who now dominate the market, trading in large volumes. The move could only enhance competition, he said.

Although rationalization involves dealings in 147 companies, some jobbers are picking up stocks from their competitors.

Wm Collins says wait on News bid

Mr Ian Chapman, new chairman of publishing house William Collins has sent a circular to shareholders telling them not to do anything about the 200p a share offer from News International for the moment.

He will write to them at greater length soon and advise them to reject the bid. In a letter sent to Collins authors yesterday, Mr Chapman stressed that his board is not against News International but wants to retain the publishing house's independence.

Mr Rupert Murdoch of News International has already told Collins shareholders in the bid document that NI accepts it may not get much above 30 per cent of the company.

Bank Base Rates

ABN Bank	12%
Barclays	12%
BCCI	12%
Consolidated Crdt	12%
C. Hoare & Co	12%
Lloyds Bank	12%
Midland Bank	12%
Nat Westminster	12%
TSB	12%
Williams and Glyn's	12%

* 7 day deposit on sums of £50,000 and over, 9% over £50,000 10%.

M. J. H. Nightingale & Co. Limited
27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

The Over-the-Counter Market

1980/81	High	Low	Company	Price	Chgs	Gross Div(p)	Yld %	P/E	Actual	Forecast
76	39	39	Airsprung Group	69	—	4.7	6.8	11.0	15.2	—
32	21	21	Armstrong & Rhodes	47	—	1.4	3.0	19.3	44.8	—
200	92	92	Bardon Hill	200	—	9.7	4.9	7.5	12.8	—
104	88	88	Bell & Howells	103	—	5.5	5.3	5.1	9.7	—
126	88	88	Frank Horsell	104	—	6.4	6.2	3.3	6.0	—
110	39	39	Frederick Parker	63	—	1.7	2.7	27.4	—	—
110	64	64	George Blair	64	—	3.1	4.8	—	—	—
110	59	59	Jackson Group	107	—	1.0	6.5	3.4	7.8	—
130	103	103	James Burroughs	130	—	2.7	6.7	10.7	10.7	—
134	24	24	Robert Jenkins	315	—	8.3	9.9	—	—	—
55	50	50	Scruttons "A"	55	—	5.3	9.6	8.5	7.9	—
224	196	196	Torday Limited	198	—	15.1	7.6	7.5	13.1	—
23	8	8	Twinkl Ord	14	—	—	—	—	—	—
90	68	68	Twinkl 15% ULS	80	—	—	15.0	18.3	—	—
35	35	35	Unilock Holdings	40	—	3.0	7.3	6.2	9.8	—
103	81	81	Walter Alexander	103	—	5.7	5.5	5.7	9.1	—
263	181	181	W. S. Yeates	253	—	13.1	5.2	14.0	9.7	—

BUPA elects new chairman

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Mr Philip Lewis is now director and general manager of Mattew-Bell Mining and Mr Brian Cartwright has been made a director of Matthew Hall Norton Engineering.

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Mr Paul Bradshaw is the new managing director of Skandia Life Assurance. His post of secretary will be taken over by Mr Jeremy Goford.

Mr Colin Chubb is now managing

Kwik-Fit (Tyres & Exhausts) Holdings Limited

"Another year of considerable progress"



Extracts from the statement of Mr Alec Stenson, Chairman.

Group profit from continuing operations before taxation for the year ended 28 February 1981 amounts to £4,054,621, represented by a trading profit of £3,618,993 and investment and other income of £435,628. This compares with £1,671,240 for the previous year. Also there is an extraordinary profit of £1,530,512 net of tax.

Group turnover from continuing operations for the year amounted to £27,357,597 compared with £11,323,958 for the previous year.

Final Dividend increased by 23%
Total dividend increased to 1.50p net per share, compared with 1.22p net for the previous year. A capitalisation issue of one ordinary share for every ten held is proposed.

213 Retail Centres now in operation

In September 1980, the Group acquired the 180 Firestone "All Tyre Services" tyre and exhaust depots in the UK for a consideration of £3.2m. 81 of these sites were subsequently purchased by the Dunlop Rubber Company for £3.25m.

At the present time, the Group operates through 197 centres in the UK and 16 on the Continent, with 19 new locations under development.

1980/81 Outlook

* In March 1981, the new Kwik-Fit Employee Share Scheme came into effect in order to give all eligible staff the opportunity of sharing in the profit which their efforts have helped to create.

* During the year, a number of pilot centres dealing exclusively with brakes and steering parts replacement and servicing will be set up in key locations. These specialist centres will trade under the name "Stop n' Steer".

Copies of the Annual Report and Accounts for the year ended 28 February 1981 can be obtained from:

The Company Secretary,
Head Office, Kwik-Fit (Tyres & Exhausts) Holdings Limited,
East Main Street, Broxburn, West Lothian, Scotland, EH52 5AS. Tel. 0506 854838

McNee warning on dangers facing royalty

By Stewart Tendler, Crime Reporter

The Queen and the Royal Family cannot be given 100 per cent protection against attack, Sir David McNee, Commissioner of the Metropolitan Police, said yesterday.

He said the attacks on President Reagan and the Pope had shown the difficulties of security.

Sir David, who is responsible for royal protection, commented on the incident at the Trooping the Colour ceremony last weekend in which black cartridges were fired at the Queen.

There were, he said, at a press conference on the force's 1980 report, a substantial number of policemen on duty at the ceremony to deal with incidents and protect the Royal Family.

Royal security is constantly under review and adjustments are made in the light of experience, Sir David said.

The 1980 report shows a 5 per cent rise in serious crime last year with increases in robbery and theft as well as fraud. At the same time the clear up rate for offences rose by 3 per cent and stands at 20 per cent.

Sir David said the year's police activity in London had been dominated by the Iranian Embassy siege. The year might well go down as "the year of the siege". The report mentions other 14 terrorist incidents, many of them also connected with Middle East politics.

In more prosaic terms, Sir David said 1980 also showed a reversal of the recent downward trend in serious crime. In 1978 and 1979 serious crime dropped but in 1980 it rose by 5 per cent, to 27,000 incidents, to 584,137, which

was higher than the previous peak in 1977.

The two largest increases were in robbery and theft, which had gone up by 20 per cent, and fraud, which went up by 28 per cent. Five hundred cases involving £400m are being investigated. Burglary and crime involving vehicles also rose after several years of decline.

In the latter case 39 per cent of those arrested were aged between 10 and 16. In all, 67 per cent of people arrested for burglary were under 21 while 60 per cent of those arrested for robbery were aged under 21.

Between 1977 and 1979 the number of arrests and serious crimes cleared up dropped and year but in 1980 there was an increase of 3 per cent in offences cleared up and a success rate of 20 per cent.

On the question of street attacks on old people Mr Gilbert Kelland, Assistant Commissioner for the CID, said more than 3,000 of 16,000 victims of robbery and theft were aged over 50.

Asked whether the police were maintaining a low profile in certain areas of London when the crime rate was rising Mr Kelland said: "We police to the best of our abilities. We are the best we can be according to the circumstances."

Sir David's report also indicates the difficulties of public order.

There were 25 occasions last year when more than 1,000 officers were on duty and a further 257 involving 100 or more officers. The largest single turnout was for the Notting Hill Carnival, which was policed by more than 11,000 men, nearly half the force.

CRIME IN LONDON

Category of crime	1976	1977	1978	1979	1980
Crimes of violence:					
assaults etc, incl homicide	12,613	13,378	14,727	16,425	16,139
robbery and violent theft	10,129	12,415	12,180	11,536	13,884
Burglary	108,945	123,179	121,127	116,873	125,806
Autotheft	150,656	174,479	177,287	173,571	177,063
Theft and handling	136,616	149,570	141,305	137,506	136,533
Fraud and forgery	30,618	30,208	29,845	29,954	33,172
Criminal damage and mischief	59,720	65,723	70,806	75,413	81,440
Total serious offences	507,595	568,852	567,387	557,378	584,137
Other crimes	14,789	15,214	16,362	16,705	19,316

† Many offences, committed on premises and investigated by the British Transport Police, are excluded from the figures.

‡ Excluded from the total.

Countryman inquiry to be wound up

Continued from page 1

In August, 1978, the City police involved allegations of police involvement in the robbery and large pay-offs for favours shown.

The arguments over Countryman arose up when Mr Arthur Hamilton retired as Chief Constable of Dorset and complained of the difficulties of the inquiry, especially the problems of dealing with the DPP. He said up to 25 officers might be prosecuted.

Last year the inquiry was re-organised and Sir Peter Matthews, Chief Constable of Surrey, took command. The team was scaled down drastically.

During the past year regional crime squad officers have arrested a number of men in connection with the 'big robbery' but they may well have influenced the decision on where the inquiry should go.

Yesterday Mr Kavanagh could not be drawn very far on the value of Countryman. He said the Yard was grateful for the work of the provincial officers but it was very difficult to say how worth while the inquiry had been.

The inquiry, the biggest in the history, confirmed yesterday that it had taken a substantial shareholding in the new company, but a senior national officer said he could not say how large it was.

Mr Ian O. Jones, a director of the British Libran Bank, said the sale would move control of the three hotels—Gleneagles, the Caledonian and The North British—from London to Scotland, and introduce modern management and improved facilities to make them thoroughly commercial operations.

Last year the three hotels lost £12,000 between them on an increased turnover of almost £8m. The previous year the profit had been £553,000.

Mr Stevenson said that there was tremendous potential in the new company. All the hotels would be refurbished and redecorated as part of an effort to improve the service.

Mr Sidney Weighell, general secretary of the NUR, last year threatened a "barbaric" raid on the Gleneagles and other hotels if they were sold to private enterprise, but the union is satisfied that under the terms of the sale its closed shop recognition for staff will be maintained.

A senior official said last night: "We regard the invitation to private investment as a temporary measure in the current political circumstances, and we are taking a stake to protect the interests of our members before the hotels are restored to full public ownership under a Labour government."

The five-star Gleneagles Hotel and two other leading Scottish railway hotels in Edinburgh have been sold by British Transport Hotels to a new Scottish-based private company for £10.3m, it was announced yesterday.

Gleneagles Hotels Limited, whose chairman will be Mr William Stevenson, currently chairman of the Scottish Transport Group.

A press conference in Edinburgh was held today to announce the sale. The £10.3m had been raised by the British Libran Bank with the help of various investors. There were £9m of ordinary £1 shares and £1.3m of unsecured loan stock.

The biggest single shareholder will be British Transport Hotels, which has bought 30 per cent of the shares in the new company.

The National Union of Railwaymen, which has bitterly opposed the privatisation of any of British Rail's profitable subsidiaries, is to take a stake in the new ownership of the three Scottish hotels, Donald MacIntyre writes.

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Gleneagles Hotel sold as part of £10m deal

By Ronald Faux

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Damages offered to Confait case men

By Marcel Berlins

Legal Correspondent

The three men mistakenly convicted of crimes connected with the killing in 1972 of Mr Maxwell Confait, a South London homosexual transvestite, have been offered a total of £55,000 in compensation by the Home Office. The offer is likely to be accepted.

The three—Mr Colin Lattimore, Mr Ronald Leighton and Mr Ahmed Salih, now in their twenties—were fully exonerated by Sir Michael Havers QC, the Attorney General, last year.

Their convictions had been quashed by the Court of Appeal in 1975, but in a subsequent inquiry, Sir Henry Fisher, a former High Court judge, said that on a balance of probabilities Mr Leighton and Mr Salih had been involved in the crime.

Mr Lattimore, convicted of manslaughter, has been offered £25,000; Mr Leighton, the only one to be found guilty of murder, £18,000; and Mr Salih, convicted of arson (Confait's body was found in his room, which had been set on fire) £12,000.

The figures are worked out on the basis of £15,000 each for "hardship suffered", plus varying amounts for loss of earnings and expenses incurred in fighting the case.

The £25,000 offered to Mr Lattimore would be a record payment for wrongful conviction in England. The previous highest was to Mr Albert Taylor who accepted £21,000 after spending five years in prison after being convicted of murder.

Mr Christopher Price, Labour MP for Lewisham, who has campaigned throughout to prove the innocence of the three men, said he was gratified beyond words that justice had been done. But he called for a strengthening of the safeguards for suspects under police interrogation.

Mr John Biffen, Secretary of State for Trade, has referred to the Monopolies and Mergers Commission the proposed transfer to Express Newspapers of newspapers owned by South Wales Argus (Holdings) Ltd.

The proposed transfer arises from an agreement under which, subject to certain conditions, Express Newspapers is to make a recommended offer for the whole of the issued share capital of SWAH, which owns an evening newspaper and two weekly newspapers circulating in the Gwent area.

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Fowler blocks GLC's rail fare subsidy

By Christopher Warman, Local Government Correspondent

The Government has blocked plans by the Greater London Council to subsidise British Rail fares, bringing them into line with fares on London Transport which the council intends to reduce by 25 per cent in October.

After an hour-long meeting at the Department of Transport Mr Ken Livingstone, GLC leader, said that Mr Norman Fowler, Secretary of State for Transport, had refused to allow British Rail to increase its external financing limits for the purpose.

That means that BR will not be able to borrow money to peg its fares, a move which would be paid for by the GLC with a subsidy amounting to at least £20m, the equivalent of a 1p rate.

Mr Livingstone, who led a three-man council delegation, explained that the Government was saying that the council could not prevent BR fare increases in the GLC area.

"This is going to be a major setback for everyone who uses BR to get around London," Mr Livingstone said. "The fares are cut and frozen on LT services and fares continue to rise on BR. British Rail will face rapid decline. The effect is going to mean transport anarchy in London."

Mr Livingstone said that the council wanted an integrated transport system for London but that was being denied. He emphasized, however, that the council was determined to go ahead with its manifesto commitment to reduce fares on LT by 25 per cent on October 4. Mr Fowler "seemed to accept this", Mr Livingstone said.

The latest setback for Labour's policies shows that Mr Livingstone and his team at County Hall are meeting immediate difficulties in implementing their manifesto promises. The Government is trying to persuade the Government to change its mind over the compulsory transfer of housing from the GLC to eight boroughs, which do not want it, have been dashed, in addition the inner London Education Authority is likely to have to abandon its proposals to reduce school meals from 35p to 25p because of the risk of its charge on councillors.

He had been put to bed at 8.30 pm one night and when Mrs Hammond next went to see him in his cot at 3.30 pm the following day, he was dead. A post-mortem examination showed Ashley had died from dehydration and had a lung infection.

Dr Dines said: "I find it extraordinarily difficult that someone can just leave a child from 8 pm to 3.30 pm without actually going up to it and physically getting in contact or closely inspecting it."

Earlier Mrs Hammond, who has three other children, aged eight, six and five, had told the inquest how the boy had a stomach upset for the three days before his death.

Mother left sick baby alone for 19 hours

A coroner criticised a mother as an inquest yesterday for ignoring her sick baby son for 19 hours.

An inquest at Hitchin, Hertfordshire, was told that Ashley Hammond, aged three, died alone in his cot in March.

Dr John Dines, the North Hertfordshire Coroner, recorded a verdict of death by misadventure and said it was a "serious mistake" not to have checked whether the boy was still ill.

His parents, Mr Geoffrey Hammond, aged 39, an engineer, and his wife, Jean, said the boy appeared to be "all right".

When a pathologist had examined the boy's body he found it weighed just over half the average weight for a child of that age group.

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Dr Dines said: "I find it extraordinarily difficult that someone can just leave a child from 8 pm to 3.30 pm without actually going up to it and physically getting in contact or closely inspecting it."

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Weather

A trough of low pressure will move SE across all parts followed by a moist NW stream.

Forecasts from 6am to midnight

London, SE England, East Angles: Cloudy, with rain or drizzle, becoming rain; wind S, light, becoming W, light; temp 15 to 17C (59 to 63F).

Central W. England, Midlands: Cloudy, occasional rain, becoming rain; wind S, light, becoming W, light; temp 15 to 17C (59 to 63F).

North: Cloudy, occasional rain, becoming rain; wind S, light, becoming W, light; temp 15 to 17C (59 to 63F).

South: Cloudy, occasional rain, becoming rain; wind S, light, becoming W, light; temp 15 to 17C (59 to 63F).

West: Cloudy, occasional rain, becoming rain; wind S, light, becoming W, light; temp 15 to 17C (59 to 63F).

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